

Lebanese Forces Sweep West Beirut To Regain Control

The Associated Press

BEIRUT — The Lebanese Army, backed by tanks, artillery and machine guns, swept through West Beirut on Wednesday, seizing key neighborhoods from leftist Druze and Shiite Moslem militia.

The official Beirut radio said the army had restored government control to virtually all of the city's Moslem sector.

With his army pursuing the gunmen, President Amin Gemayel offered his political adversaries a "national reconciliation dialogue" designed to "chart Lebanon's future within the framework of territorial integrity and total sovereignty."

But Walid Jumblat, the Druze Moslem leader whose militiamen battled the army alongside Shiite Moslems, rejected the offer and called on all other Lebanese politicians to do the same.

"It is treachery," Mr. Jumblat said in a statement issued in Damascus. "On the one hand, they send their army to kill and butcher the Moslems of West Beirut, and on the other, they invite us for a dialogue just to fool our people and public opinion."

There was no immediate comment from any other of the 11 politicians invited to join the dialogue.

The three U.S.-trained brigades of about 10,000 men began before dawn, pushing slowly westward from the old Green Line that divides the city between Moslem and Christian halves.

Their M-48 tanks and armored personnel carriers advanced in short bursts with tank cannons and machine guns firing. As each block or two was taken, soldiers searched nearby buildings, flushing out militiamen with small arms fire.

The militiamen fired back with automatic rifles and rocket-propelled grenades.

By late afternoon, the army was in control of nearly all of West Beirut. The state radio said the army held the coastal corniche from the Old Souk in the eastern section to the Ban Mihaleh Beach on the western tip. The radio warned residents to stay indoors.

The police said that 24 persons

were killed, including six Lebanese soldiers, and 49 were wounded.

This brought the total casualty toll in the fighting that began Sunday to 79 killed, including two U.S. Marines, five Frenchmen and 27 Lebanese soldiers, plus 326 wounded, including 14 American marines, seven French troops, three Italians and 89 Lebanese soldiers.

Beirut hospitals reported that ambulances were bringing in wounded at the rate of three or four a minute at the height of the fighting.

The army announced that its troops had captured 50 militiamen, including seven Palestinians and four Syrians.

As nightfall approached, narrow streets in the Hamra district of West Beirut echoed with the sporadic crackle of rifle fire as troops flushed out militiamen hidden in apartment buildings.

Lebanese leaders blamed the Syrian Army and Druze militia batteries in Syrian-occupied territory in the mountains to the north and east for the heavy artillery bombardment that shook West Beirut for about 90 minutes Wednesday afternoon.

But it was apparent that at least some of the shells were fired by Lebanese Army tanks and mortars in support of infantry.

More than 15 shells hit the area around the Commodore Hotel, where most reporters were staying.

About 150 reporters and other guests scurried into the hotel base-ment when one shell hit the eastern side of the hotel, destroying several empty rooms. It caused no casualties. Other shells hit adjacent buildings, or fell in the street on either side.

Senior Lebanese officials were said to be pleased by the performance of the army in West Beirut and were optimistic that the Christian-led but largely Moslem military would be able to move into the contested central mountains and restore control after the Israeli leave.

"This is work done by the Lebanese Army itself without any assistance from the Marines or from any foreign contingent," said Abd-ullah Abu Habib, Lebanon's ambassador to the United States.

The militiamen fired back with automatic rifles and rocket-propelled grenades.

By late afternoon, the army was in control of nearly all of West Beirut. The state radio said the army held the coastal corniche from the Old Souk in the eastern section to the Ban Mihaleh Beach on the western tip. The radio warned residents to stay indoors.

The police said that 24 persons



A Lebanese soldier fired a machine gun on Wednesday from his armored personnel carrier across from the Ministry of Information as the Lebanese Army moved into the western section of Beirut to restore government control.

Reagan's Lebanon Dilemma: Step-Up or Pullout?

By John M. Goshko
Washington Post Service

WASHINGTON — With Lebanon again on the brink of full-scale civil war, President Ronald Reagan may soon have to choose between the politically risky step of increasing the number of marines or abandoning U.S. attempts to help restore peace there.

A year ago Mr. Reagan decided to use the marines as the cutting edge of a U.S. strategy to shore up the authority of President Amin Gemayel's government and prevent the country from being divided into enclaves controlled by Israeli and Syrian occupying forces and feuding Lebanese factions.

Now, however, this strategy is in danger of being engulfed by a renewed fighting that has swept through Beirut and the nearby Chouf mountains this week. The marines and others making up the

NEWS ANALYSIS

scope and responsibilities of the international force, including its U.S. component.

The Reagan administration has been extremely reluctant to do this. Sending more marines will unleash a storm of public and congressional protests that Lebanon is becoming a new Vietnam and that the United States should avoid further involvement.

Administration officials are known to feel that, in the end, they could probably ride out the storm and get away with at least a modest increase in American involvement

in Lebanon. But senior officials said that it could be done only at the cost of a bruising and divisive national debate affecting Mr. Reagan's long-range strategy in the Middle East and other areas of potential military confrontation, such as Central America.

So far, the administration has chosen to seek no change in U.S. involvement, asserting instead that it believes that the current fighting can be resolved through diplomacy such as the mediation among Lebanese factions now being attempted by Mr. Reagan's special Middle East envoy, Robert C. McFarlane.

That was the thrust of the letter Mr. Reagan sent to Congress Tuesday in hopes of staving off a debate that could lead to forced removal of the marines under the War Powers Act. The White House while saying the marines would remain, made no mention of increasing their numbers and sought to minimize the situation.

(Continued on Page 2, Col. 5)

try of information as the Lebanese Army moved into the western section of Beirut to restore government control.

privately, though, many administration officials conceded that this was essentially a temporary position that contained much wishful thinking.

These officials said the chances for a durable cease-fire were very fragile. They expressed fear that the situation could deteriorate to the point at which the U.S., French and British units of the multinational force would be the only force capable of restoring order in Lebanon.

What is more, they added, the international force will not be able to do the job unless it is made much larger and given a mandate to move from its present, essentially defensive positions into open confrontation with the various Lebanese militiamen.

THEIR POSITION: Three officials predicted, the Reagan government will be in peril of imminent collapse that would leave

the situation.

Workers poured out of the Lenin shipyard in Nowa Huta at the afternoon shift change and marched toward the city center, chanting pro-union slogans, a government spokesman said.

Police wearing helmets and carrying plastic shields blocked their path, firing tear gas and spraying them with water cannon, the spokesman said. He said the unrest was more severe than a riot there May 1. Witnesses said the demonstrators threw stones at police and streetcars.

A number of people were arrested and several were injured, but exact figures were not available, the official said. Clashes reportedly continued into the evening.

In Gdansk, Mr. Walesa left his job at the Lenin shipyard and gave a brief speech to 400 supporters near the union movement, Western reporters and a government spokesman there said. The text of his speech was not immediately available.

Shultz Says Marine Role Will Continue in Beirut

By John M. Goshko
and Helen Dewar
Washington Post Service

WASHINGTON — Secretary of State George P. Shultz said Wednesday that the administration does not plan to expand the size of the U.S. Marine force in Beirut because the Lebanese government appears able to control the violence there.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

His responses appeared to be an attempt to stave off calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

Nicaragua, for First Time, Plans Draft

By Stephen Kinzer
New York Times Service

MANAGUA — Faced with what it says are continuing attacks along its northern and southern borders, Nicaragua is preparing to impose compulsory military service for the first time.

The announcement that Nicaraguan youths will soon be subject to a military draft has upset many parents, and consular officers at Western embassies say there has been a surge of visa applications

from families eager to send their children out of the country before the new law takes effect in October.

Some high schools, especially those favored by well-to-do families, have lost scores of students since the defense minister, Humberto Ortega Saavedra, announced the law on Aug. 10.

Flanked by his two principal deputies, Commander Ortega presented the law in an unusual personal appearance before Nicaragua's Council of State, the Sandinist-dominated legislature.

He said a military draft "will strengthen the means of national defense" and warned that "in the coming weeks or months the military tension may reach higher levels."

Thousands of anti-Sandinist insurgents, reportedly armed and financed by the United States, have recently stepped up their military actions inside Nicaragua. The council predicted that since the defense minister has so explicitly endorsed the idea, it will probably be approved substantially as proposed.

Faced with the draft law, some families who have been dissatisfied with the Sandinists say they will leave.

"I have put up with a lot of abuse and stayed here while a lot of things happened that I didn't like," one man said. "But with this law, I'm leaving for good, because I don't want my kids to die fighting for the Sandinists."

"People are really scared about it," a businessman said. "The effect has been incredible."

Opposition political parties, sensing the unpopularity of the proposal, have seized on it as a political issue. The Democratic Conservative Party issued a statement condemning the draft on the ground that conscripts would not be fighting for Nicaragua, but to protect the Sandinist government.

Last week, the Social Christian Party directed its delegate to the Council of State not to join the committee studying the law. As a result, the Social Christian leader, Aden Fletes, has come under bitter attack in the Sandinist press.

"This must be recognized by everyone, especially in the countries of origin," she said recently. "There will be no more regularizations. The general economic situation does not allow it."

Under the measures announced Wednesday, employers of undocumented foreign workers, tight border controls and procedures allowing for rapid expulsion of undocumented immigrants. They were announced after a cabinet meeting by Georgina Dufoix, the secretary of state for immigration.

"Without our immigrants, France would not have the economic force it enjoys today," Mrs. Dufoix said. But she stressed the government's determination to apply the law to keep out new immigrant workers and punish their employers.

The government also unveiled plans to improve living conditions for the country's legal immigrants,

by easing residency formalities and access to low-cost housing and other social welfare programs.

The immigrant problem caused some embarrassment to the Socialist administration, which has faced a political backlash over its efforts to balance its calls for tolerance with the country's economic problems.

This summer, there were several incidents of racist violence. The most widely reported case happened in early July, when a 10-year-old Algerian boy was killed by a Frenchman with an air rifle outside Paris. There have also been a number of stabbing incidents.

Some political commentators have linked the attacks to racist sentiment that surfaced in the weeks before nationwide municipal elections last March. Some opposition politicians' campaigns played to resentment over immigration by linking it to high unemployment and stagnating living standards.

They argued that immigrants took away jobs that Frenchmen

Conservative Group Starts Campaign To Cultivate Black Vote for Reagan

Los Angeles Times Service

WASHINGTON — The National Conservative Political Action Committee has begun a "Blacks for Reagan" media campaign with a news conference Tuesday on the steps of the Lincoln Memorial.

Henry M. Miller, a Los Angeles businessman; Mabel King, a television actress; and J.A. Parker, head of Lincoln Institute, a Washington research organization that specializes in black issues, defended President Ronald Reagan's policies at the session Tuesday.

The three voiced themes common to black conservatives, includ-

ing the contentions that welfare programs create dependence on government and that improving the economy helps both the poor and the wealthy. They played down the significance of last weekend's huge demonstration at the Lincoln Memorial for jobs, peace and freedom.

John T. Dolan, chairman of the organization, said about six "prominent black leaders" — including the three who appeared Tuesday and two former professional football players, Haven Moses and Joe Profit — will help blacks "make an informed judgment" about Mr. Reagan. The organization plans to invest \$200,000 in the effort to win black support, Mr. Dolan said.

City Offices Bombed in Paris

United Press International

PARIS — The Caribbean Revolutionary Alliance, a clandestine group seeking independence for French territories in the Caribbean, Wednesday exploded bombs outside two municipal offices, causing damage but no injuries.

Women would not be required to register, but would be permitted to volunteer, sparking some complaints from women's groups.

The highest-ranking woman in the Sandinist army, Commander Doris Tijerino, said at a news conference that women were needed to rebuild the country but would not be called for compulsory military service "because of well-known biological and organic limitations."

Pick out something weatherproof, timeproof and gorgeous: the MD-80.



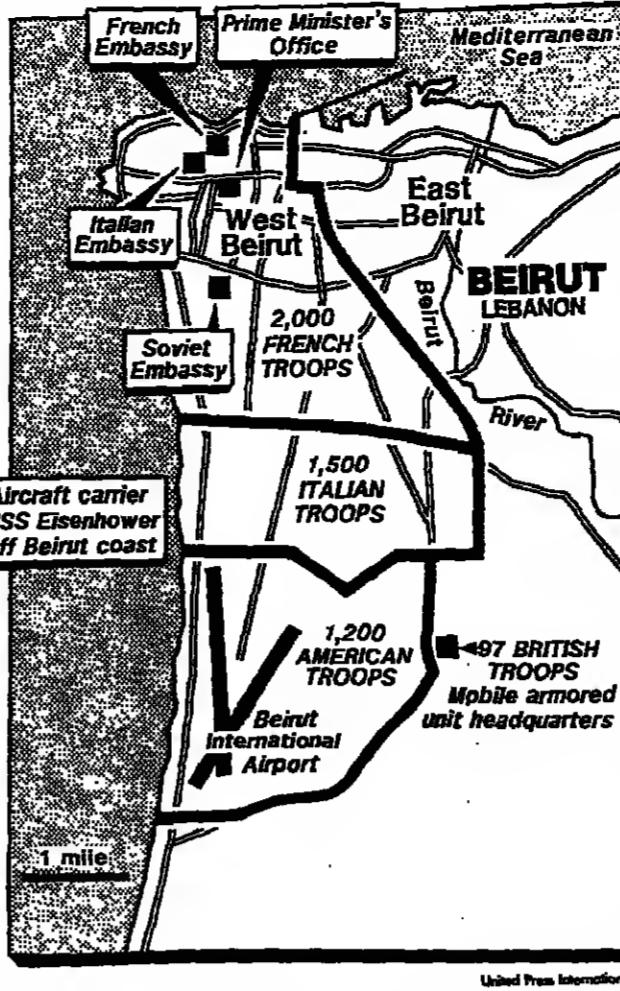
Ageless beauty catches the eye. The MD-80 thwarts the ravages of time with an exterior of premium aluminum alloy burnished to shine back at the sun — so fine it's made only for us.

This outer skin is thin and light. Yet it's tough enough to withstand stress, temperature, fracture and cracking for the life of the airplane.

Corrosion within is a separate challenge. We take extra care to assure that condensation is collected and drained away. Galley areas are given extra protection.

Examples of lasting value are everywhere. MD-80 beauty starts at the skin and goes to the heart. No wonder chief engineers and accountants alike love it.

MCDONNELL DOUGLASS



WORLD BRIEFS

5 Hijackers Surrender in Tehran

BAHRAIN (Reuters) — Five Arabic-speaking hijackers of an Air France jet surrendered to Iranian authorities Wednesday at Tehran airport, ending a four-day ordeal for the seven crew members and 10 passengers. Earlier, it was believed that there were only four hijackers.

The Iranian national news agency, IRNA, said the hostages — whom the French chargé d'affaires listed as 13 French nationals, an American couple, a Swedish woman and a British man — were in good health and would spend the night at a Tehran hotel.

The hijackers, whose nationalities remained unclear, seized the aircraft on a flight from Vienna to Paris last Saturday and landed in Tehran on Sunday. They were demanding that France pull its troops from Chad and Lebanon, end military aid to Iraq and release Arab prisoners from French jails. After their surrender, the hijackers asked for political asylum.

Rebel Attack Is Reported in Chad

NDJAMENA, Chad (AP) — Libyan-backed rebels burned down a Chadian village in the government-held south last week in a sudden upsurge of rebel activity in the area. Information Minister Soumaila Mahamat reported Wednesday.

But Catholic missionary sources said the village was burned by government troops who suspected the inhabitants of aiding Libyan-backed rebels operating from across the border.

Meanwhile in Tarbes, France, officials said an artillery battery of about 100 troops of the 35th Parachute Artillery Regiment, with 105mm canon, trucks and jeeps, was heading to Chad. Equipment will be shipped by sea to Cameroon. Also going to Cameroon will be a squadron of 10 tanks, en route to Libreville, Gabon, and Bangui, Central African Republic, to replace tanks moved from French bases there to Chad.

4 in France Made Ill by Toxic Waste

BORDEAUX (AP) — Four persons have been hospitalized in Bayonne, France, near the Spanish border, after being contaminated by toxic waste washed ashore from Spain.

More than 150 drums of industrial waste that were washed into the Bay of Biscay by floods that swept the Basque country last weekend have been found on French beaches. Of the drums, all marked with a skull and crossbones, 20 have been found to contain sodium cyanide, which can cause death if inhaled.

Authorities have banned swimming on the Spanish and French Basque coasts because of the presence of the toxic wastes.

Jakarta Offensive Reported in Timor

JAKARTA (UPI) — Indonesia's armed forces have launched the biggest offensive in four years against guerrillas fighting for the independence of East Timor, a diplomat said Wednesday.

The diplomat, who asked that he not be identified, said that as many as 20,000 troops were taking part in the operation in the former Portuguese colony, which was annexed by Indonesia in 1976. The source said 16 insurgents of the Revolutionary Front for an Independent Timor, known as Fretilin, had been killed on Aug. 8, the first day of the operation.

Officials declined to confirm the report. But the armed forces chief of staff, General Benny Mardzani, warned recently that the government would show "no mercy" for Fretilin guerrillas who do not surrender in exchange for a government amnesty.

Honduran President Rebutts Rumors

TEGUCIGALPA, Honduras (UPI) — President Roberto Suazo Córdova of Honduras took to the airwaves Tuesday to deny rumors of failing health and a possible military coup. Such reports, he told a nationwide television audience, are "absurd speculations."

Mr. Suazo Córdova, 55, who is in a clinic in the Honduran Air Force base near Comayagua, read from a seven-page prepared text. He said he would visit the United States within the next week for a "scientific checkup" on his progress since suffering two heart attacks in July.

"The speech has been decided by the government," a communiqué on the address said, "in order to put an end to the absurd speculations published abroad in which it is recklessly asserted he is in a coma and suffering a fatal result."

Cuba Troop Issue Stalls Namibia Plan

UNITED NATIONS, New York (UPI) — Secretary-General Javier Pérez de Cuellar reported to the Security Council Wednesday that South African demands for a Cuban troop withdrawal from Angola make it impossible to implement the UN plan for independence for South-West Africa, which is also known as Namibia.

He sent a written report to the council on a three-month effort to break the deadlock that has stymied the UN plan, calling for a cease-fire, withdrawal of South African troops, emplacement of a UN peacekeeping force and free elections for the territory which has been administered by Pretoria since the end of World War I.

Mr. Pérez de Cuellar said during his visit to the region last week that he secured South African agreement to the composition of a multinational peacekeeping force and assured South African leaders of UN impartiality in dealing with all Namibian political parties. He said that "we have never been so close to finality" on how to implement the plan approved by the council in 1978, except for the issue of Cuban troops.

Protesters Prepare to Block U.S. Base

MUTLANGEN, West Germany (AP) — About 900 anti-nuclear protesters camped near a U.S. Army missile base Wednesday for final rehearsals of a three-day blockade that organizers hope will attract more than 10,000 demonstrators.

The blockade of roads to the base was scheduled to begin at 5:45 A.M. Thursday. A West German Defense Ministry diagram published Monday in the unofficial U.S. Armed Forces newspaper Stars and Stripes identified Schwabisch-Gmünd, headquarters of the Mutlangen base less than a mile away, as a site for Pershing-2 missiles.

The diagram said 36 of the 108 U.S.-built, medium-range nuclear missiles that the North Atlantic Treaty Organization plans to begin deploying in West Germany this December will be stationed there.

Zia Foe Quits Hospital to Lead March

KARACHI, Pakistan (Reuters) — The ailing leader of a Pakistani opposition party has left a Karachi hospital to lead a march Thursday against the country's military government, members of his party said Wednesday.

Ghaus Baksh Rizvi, 65, president of the outlawed Pakistan National Party and a former governor of Baluchistan province, went into hiding until the march. His party is not a member of the opposition Movement for the Restoration of Democracy, an alliance of eight banned parties, which is conducting a civil disobedience campaign against President Mohammed Zia ul-Haq. But he has asked his followers to support it.

In Sindh province, where the protests have been concentrated, the government closed the agricultural university at Tando Jam near Hyderabad, 125 miles (200 kilometers) north of Karachi, after several thousand students supporting the opposition campaign blocked a highway for about five hours.

Greece Blames U.S. for Pact Delay

ATHENS (UPI) — The Greek government blamed the United States on Wednesday for the delay in signing the agreement reached in July for a five-year extension of the operation of U.S. bases in Greece.

"The delay in the return of the English and Greek texts of the accord to Athens from Washington, and the signing of the agreement, is not caused by the Greek side; it is caused by the American side," said Dimitris Maroudas, a government spokesman. He said Greece "cannot allow the issue to remain in abeyance."

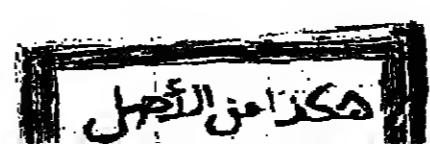
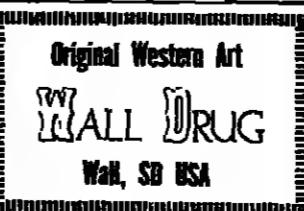
He said the Greek government "insists on the validity" of the terms of the English text initiated by both governments July 15. Greece had said the text of the agreement would be released by Aug. 1, following translation into Greek and comparison of the two texts in Washington for accuracy. That date was later pushed back to Aug. 31. The accord deals with the operation of four main bases and 16 secondary installations under the framework of the North Atlantic Treaty Organization.

For the Record

BELJING (Reuters) — China's foreign minister, Wu Xueqian, will visit the United States for talks with Secretary of State George P. Shultz from Oct. 10 to 15 following a six-day stay in Canada, the Foreign Ministry said Wednesday.

ADELAIDE, Australia (Reuters) — Police arrested at least 76 demonstrators Wednesday at a mine on the site of the world's largest known uranium deposits. More than 100 people have been arrested in three days of protests against the use of uranium for making nuclear weapons.

PARIS (UPI) — The tenth annual meeting between the president of France and African heads of state will take place Oct. 2 to 4 at Vitrolles in the Vosges Mountains of eastern France. The Elysee presidential palace said Wednesday. The 1982 session at Kinshasa, Zaire, was attended by President François Mitterrand and 19 African leaders.



Mondale Gains Support Of Carter in an E-Gain Support

By Dan Balz
Washington Post Service

ELLIJAY, Georgia — Walter F. Mondale, the former vice president, visited the mountain cabin of former President Jimmy Carter on Tuesday night and came away with his political independence and a glowing endorsement from the former president.

The meeting at Mr. Carter's remote cabin in northwest Georgia appeared designed to shore up Mr. Mondale's standing in the South and to make it clear that any efforts by Mr. Mondale to distance himself from Carter administration policies have Mr. Carter's full support and blessing.

Mr. Mondale's popularity in the South has slipped considerably in recent polls.

"It's obvious that no candidate who hopes to be president of the United States would permit himself or herself to be stigmatized as subservient to the policies of anyone else," Mr. Carter said while awaiting Mr. Mondale's arrival.

"I think Vice President Mondale has always been very loyal to me," he added, "but it would be a mistake for him politically or otherwise to be closely associated to me or too much dependent on the policies I espoused as president."

Mr. Carter praised Mr. Mondale as more qualified than any other Democratic candidate and said his policies would be compatible with Southerners. He said that Mr. Mondale's experience as a U.S. senator from Minnesota and as vice president should appeal to Southern voters, as should his positions on budgetary issues, agriculture and defense.

While declaring that he could support any of the other Democratic candidates if they should win the nomination, Mr. Carter added: "They don't have that experience for four years," referring to Mr. Mondale's term as vice president.

Mr. Carter said that Mr. Mondale offered "a good balance" of progressive views on various social and domestic issues and conservatism on fiscal policies, and he predicted that Mr. Mondale would make "no radical changes on defense policies."

In the early weeks of his campaign, Mr. Mondale announced his

opposition to Carter's proposed grain embargo and to Soviet Union intervention in Afghanistan in 1979. Since then he has tried to maintain his loyalty to Mr. Carter while carving out his own political image.

Mr. Carter seemed Tuesday night to put those differences in the best possible light and to express publicly his confidence in Mr. Mondale as a presidential candidate.

"In some cases, he has strongly defended and supported the policies I espoused as president," Mr. Carter said. "In some cases, he has pointed out alternatives we might have followed if we had known everything in hindsight that we know now."

Obviously pleased, Mr. Mondale said he had asked for Mr. Carter's support and that "he has agreed to support me."

Tuesday night's trip was clearly important to Mr. Mondale, who flew to Atlanta, after giving a speech in Orlando, Florida, and then took a small plane to Dalton, Georgia, north of Atlanta. Once there, he drove for almost an hour to reach Mr. Carter's cabin near Ellijay by 9 P.M.

A poll by Darden Research in Atlanta shows that in nine states Senator John Glenn of Ohio leads Mr. Mondale, 39 percent to 33 percent. Last January, the same poll showed Mr. Mondale ahead, 48 percent to 32 percent.

Poll Says Americans Favor Sales Tax Over Income Tax

By Howard Kurtz
Washington Post Service

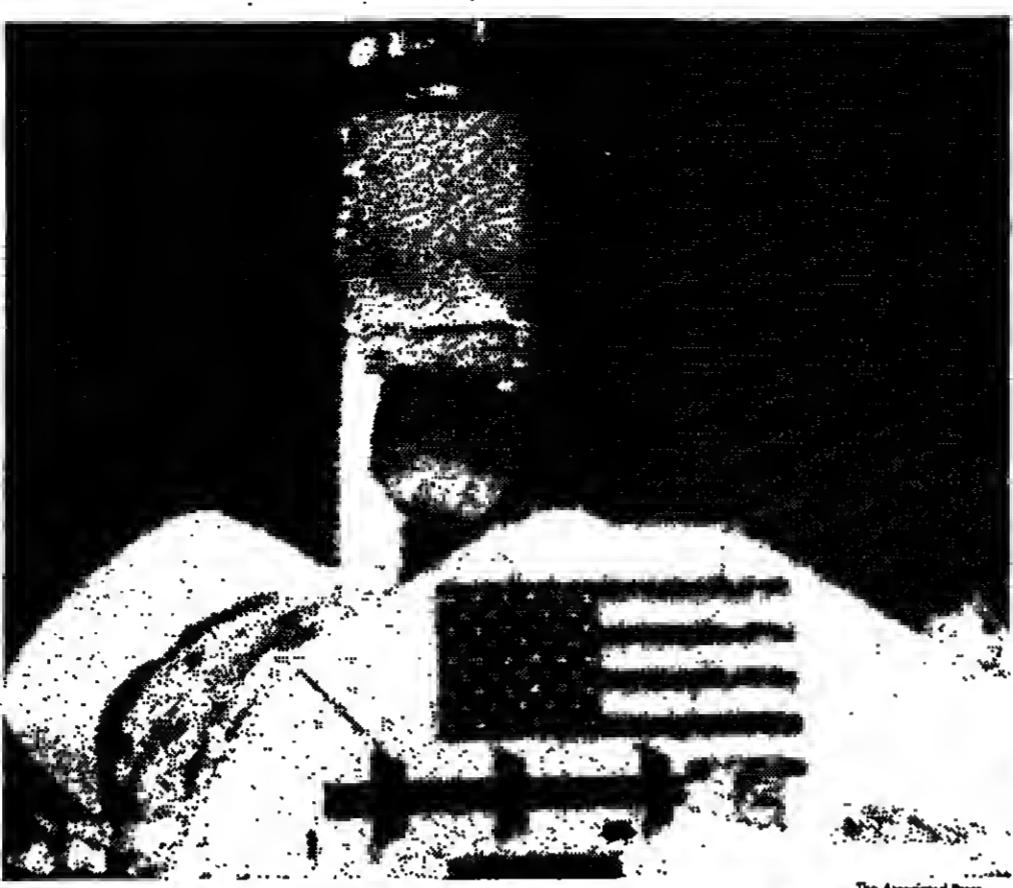
WASHINGTON — Twice as many Americans surveyed in a Gallup Poll would prefer a new national sales tax to an income tax increase if the federal government needs to raise more revenue, according to a survey sponsored by the Advisory Commission on Intergovernmental Relations.

According to results released Tuesday, the poll of 1,517 adults also found that 35 percent of the respondents consider the federal income tax the most unfair tax they did not know.

Respondents also preferred an increase in state sales taxes rather than a higher state income tax, by a margin of 57 percent to 23 percent.

Officials of the advisory commission, a U.S. government agency that specializes in issues affecting state and local governments, said many of the respondents may have been reacting to recent increases in Social Security payroll taxes and perceived inequities in the income tax system.

Asked how they would choose to increase taxes if it were necessary, 52 percent said they would rather pay a new national sales tax on all purchases except food, like the val-



The Associated Press
India's Insat-1B satellite leaving the cargo bay of the space shuttle Challenger Wednesday.

U.S. Shuttle Launches Indian Satellite For Tests on Cyclone-Warning System

United Press International

NEW DELHI — A satellite that may be able to warn millions of Indians of impending cyclones was placed in orbit Wednesday.

India's Insat-1B, launched into

space by the U.S. space shuttle Challenger, is functioning properly, a spokesman for the Master Control Facility at Hasan, in southern India, announced.

Prime Minister Indira Gandhi expressed her "happiness at the successful launching" and "the progress it has made so far."

The satellite, the first of its kind in space, will be used for telecommunications, television, radio broadcasts and meteorology. It is expected to be in operation by Oct. 15.

The \$50-million Insat-1B, manufactured by the Ford Aerospace Co. of Palo Alto, California, is designed to relay up to 8,000 telephone calls simultaneously across India, beam television directly to 100,000 rural antennas and take weather pictures.

The greatest function of the satellite will be to aid millions of people in the cyclone-prone eastern coastal areas, where hundreds of people die in floods caused by storms in the Bay of Bengal.

Cyclones in the past seven years in the states of Tamil Nadu, Andhra Pradesh and Orissa, along the Bay of Bengal, have killed about 2,000 people. Officials said the deaths could have been avoided if the villagers had been warned well in advance of the storms.

The cyclone warning will be a novel system for sending disaster alerts directly to the millions in the

Black Pupils Closing Gap With Whites

Steady Improvement Is Shown in U.S. Study

By T.R. Reid
Washington Post Service

WASHINGTON — Steady improvement by black students in reading, writing, arithmetic and other subjects has reduced the gap between blacks and whites on standardized school tests, according to research presented at the American Psychological Association's convention.

A research team headed by a University of North Carolina psychologist, Lyle Jones, found "very clear evidence" that current black students are markedly closer to their white classmates in basic skills than earlier generations of blacks were.

One striking example, Mr. Jones said Monday in Anaheim, California, at the APA's annual meeting, appeared in the verbal skills section of the National Assessment of Education Progress, a test given each year to a national sample of students aged 9, 13 and 17.

When people born in 1953 took those tests, blacks averaged 20 points lower than their white contemporaries. Among students born in 1970, blacks' scores averaged 10 points below those of whites.

Mr. Jones and his assistants were hesitant in explaining the blacks' comparative improvement. They suggested, though, that blacks' enhanced financial status and various public education efforts, such as the federal Head Start program, may have contributed.

The study supports findings of a more limited report last fall by the College Board, which runs the national Scholastic Aptitude Test for college applicants. The board found a narrowing in 1981 and 1982 tests of the traditional black-white gap in scores.

The North Carolina researchers reviewed 1972-78 scores on three national tests and found that black performance vis-à-vis white performance generally improved on all three tests.

Former Agent Disputes U.S. Account on Barbie

By Jay Mathews
Washington Post Service

LOS ANGELES — U.S. Army intelligence officials in Europe knew of Klaus Barbie's activities in deporting and massacring French Jews at least two years before he was hired as a U.S. intelligence agent in 1947, a former member of the army's Counter Intelligence Corps has asserted.

Michel Thomas, a French resistance fighter who was once captured and interrogated by Barbie, said Tuesday that he helped compile a file on Barbie and other Gestapo leaders while working at the CIC office in Munich in 1945.

Mr. Thomas, now a businessman based in New York, said he was "outraged" by a U.S. Justice Department report two weeks ago suggesting that U.S. officials hired Barbie without realizing he was guilty of serious war crimes.

In releasing the government's report on the Barbie affair, Allan A. Ryan Jr., a Justice Department official, said that the United States had apologized formally to France for smuggling Barbie to Bolivia in 1951 after efforts to prosecute him for war crimes became known.

Barbie now awaits trial in France for "crimes against humanity" committed while he was head of the Gestapo in Lyons during the German occupation of France in World War II. He was twice tried in absentia by France, found guilty

and sentenced to death, but the 20-year limit on those convictions has expired. France abolished the death penalty in 1981.

Mr. Thomas was scheduled to lead a news conference at the Simon Wiesenthal Center in Los Angeles on Wednesday to recount his story and ask for a more complete report on the original hiring of Barbie and on the officers responsible.

Rabbi Marvin Hier, dean of the center, which is devoted to the study of Nazi crimes against Jews and others, said his request for a full congressional investigation has the support of Representatives Mel Levine and Howard L. Berman, both California Democrats.

Mr. Thomas said he objected to the Justice Department's report making army intelligence officers seem like "naïve innocents" in hiring Barbie to probe postwar intelligence contacts between France and the Soviet Union.

He said he was amazed that U.S. officers had overlooked the files in their Munich office, which reconnected instances of murder and torture under Barbie's command. As a lieutenant in the French Army attached to the CIC office in Munich, Mr. Thomas said, he helped compile the file, based mainly on testimony of other Gestapo officers.

Mr. Thomas said he worked for the CIC from 1944 to 1947, when he immigrated to the United States. Mr. Thomas is Jewish, and he lost both of his parents at Auschwitz, Poland.

He said that he feels the army intelligence officers he worked with would not have let Barbie be hired. But most of those officers had left Europe by 1947, he said, and were replaced by career officers "who had very poor training as intelligence officers."

Ousted Generals Named Ambassadors by Burma

Reuters

RANGOON, Burma — Two senior army officers, forced to resign their posts three months ago during a leadership change arising from a corruption scandal, have been named ambassadors, an official statement said Wednesday.

Tin Sein, a former livestock and fisheries minister and army major general, was appointed ambassador to Yugoslavia and Myo Aung, the army's former quartermaster general, was made ambassador to Nepal.

Fire Kills 8 at Georgia Home United Press International
SUWANEE, Georgia — Eight persons were killed Wednesday in a fire that broke out in the sleeping quarters of Annandale Village, a home for the mentally handicapped, about 30 miles (48 kilometers) north of Atlanta.

IN KARACHI THE MOST DEMANDING TRAVELLERS STAY INTER-CONTINENTAL

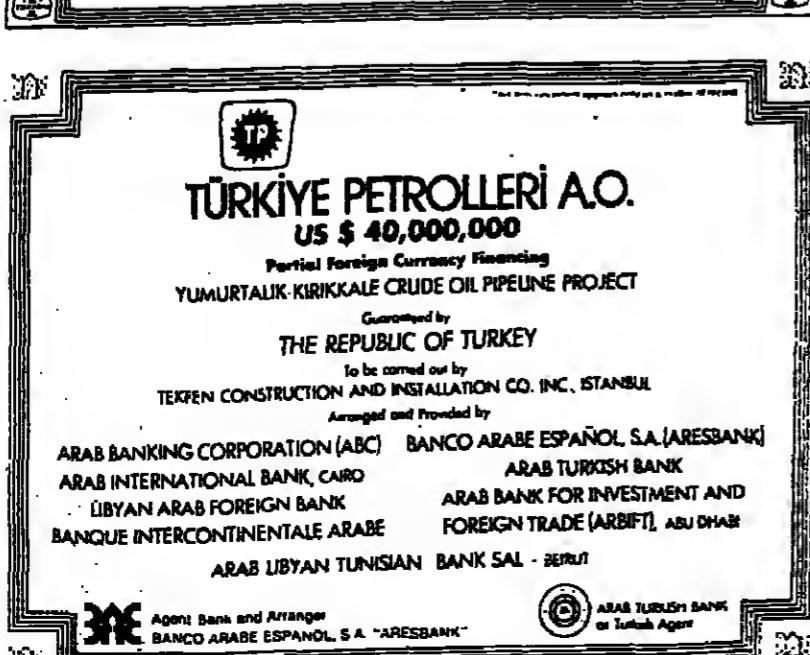
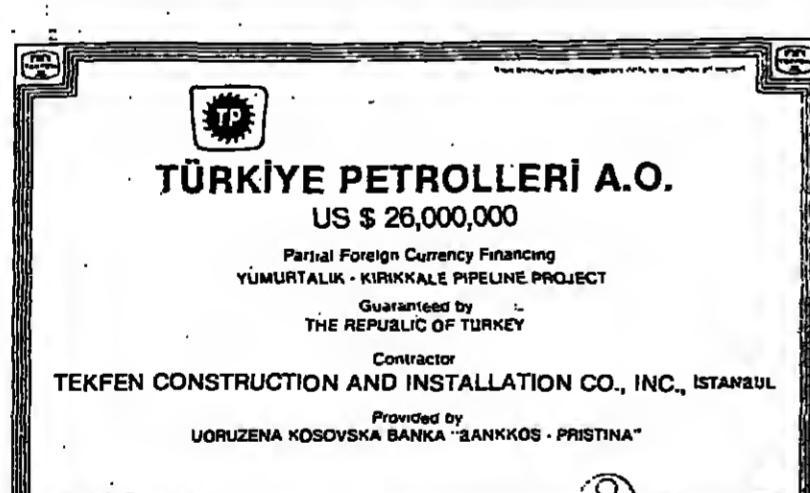


Located in the city center, the Inter-Continental Karachi Hotel offers complete air-conditioned rooms, rooftop dining, sports facilities. A fully equipped business man's centre plus meeting and convention facilities. The ideal hotel for the businessman.

Hotel Inter-Continental Karachi, Dr. Ziauddin Ahmed Road, Karachi, Pakistan. Telephone: 515021 Telex: 23617 HICK PK

There are also Inter-Continental Hotels in Abu Dhabi, Al Ain, Amman, Bahrain, Kabul, Dubai, Lahore, Makkah, Muscat, Peshawar, Rawalpindi, Riyadh, Taif, and 80 other great Hotels around the world.

AS THE TOMBSTONES WITNESS.. IF YOU NEED GOOD PERFORMANCE AND FINANCING TEKFEN HAS BEEN READY FOR THE LAST 25 YEARS



THE UNIVERSITY OF JORDAN
LIBRARY
SERIALS No. 48343
CLASS 22 APR 1984
DATE

Tekfen Construction and Installation Co. Inc. has 25 years of construction experience under its hard hat.

Numerous pipelines, refineries, petrochemical complexes, fertilizer plants, dams, highways, airports, reservoirs, all kinds of storage tanks and offshore platforms in Turkey testify for the Tekfen technology.

In Kuwait, Tekfen-built motorways and bridges are easing traffic in Kuwait City and 76-million-gallon capacity reservoirs supplying much-needed water to the capital city.

In Saudi Arabia, Tekfen has just completed a 80-million-gallon capacity high point water transmission terminal to feed Riyadh with fresh water.

At the moment, the contract value of Tekfen's continuing projects amounts to \$ 688,277,000.

Tekfen currently constructs a pipeline to carry oil 300 miles from the Mediterranean to the heights of the Central Anatolian plateau. A network of electricity transformer substations of 380 KV in Turkey. And as the equal partner in an international consortium with Saipem (Italy) and C.A.T. (Lebanon), the massive \$ 450 million Assir Water Transmission System in southwest Saudi Arabia.

More than 200 successfully completed construction projects of all kinds have helped to establish the Tekfen image and the confidence of our clients who have repeatedly entrusted us their projects for Tekfen's quality, timing and pricing in 25 years.

And.. Whenever possible, Tekfen helps its clients to ease their project financing, as the foregoing tombstones witness.

TEKFEN
The Dependable Name

Insaat ve Tesisat A.Ş. of Istanbul, Turkey
Construction and Installation Co. Inc.

HEAD OFFICE

Address: Tekfen Sitesi
Bifer - Istanbul - TURKEY
Cable: Tekfen - Istanbul
Phone: 011 88 80 50 (5 lines)
Telex: 26 453 Iren tr.

LIAISON OFFICE

Address: Büyükdere Sok. No. 2/2
Kavaklıdere - Ankara - TURKEY
Cable: Tekfen - Ankara
Phone: (412) 27-67-41
Telex: 42 316 Iren tr.

Riyadh OFFICE

Address: P.O. Box 20782
Riyadh - SAUDI ARABIA
Phone: 478 35 71
Telex: 204781 tekfen si

Abha OFFICE

Address: P.O. Box 1134
Abha - SAUDI ARABIA
Phone: 224 00 04
Telex: 224 85 17
Telex: 901 558 tekfen si

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Begin's Resignation

A Flame Burnt Out

Menachem Begin may not have thrown his last bombshell for Jews and Israel, but it demeans a fighter for integrity to demean his final lament: "I cannot go on any longer."

Mr. Begin alone knows whether that means he is too ill, too dispirited by the costly but profitless war in Lebanon, or too heartick over the death of his wife. Though he played demagogically to crowds that still hail him as the "King of Israel," he departs democratically, a man at peace with his mortality.

One reason, surely, is that the Begin chapters in the book of Israel are now essentially complete. He has pointed the way, by will and violence, to absorption of what he deems the promised land: all the way to the banks of the Jordan and the heights of the Golan, irrespective of the Palestinians living there. He has signed and scrupulously observed a strategic peace with Egypt; that, as long as it holds, leaves Israeli military unchallengeable.

Mr. Begin has avenged the slights of his family and brethren in Europe and the terrorism of Arabs. He has taken the salutes of statesmen who once wanted him hanged. And he has worn every political costume, from a guerrilla's to a Nobel laureate's.

Mr. Begin's career spans the entire history of his beleaguered nation. In opposition as in command, he pressed for hard choices, between violence and diplomacy, between principle and compromise, leaving his indefinable mark in both columns. Surely the British quit Palestine faster because of the underground assault of his Irgun. Surely the peace with Egypt is firmer because he forced fellow Israeli hawks to accept the withdrawal from Sinai.

But many Israelis also believe that Mr. Begin muffed the chance for a wider peace and mispent Israeli lives by refusing territorial compromise in the West Bank and overreaching in Lebanon. The West Bank land that he covets is being sown with seeds of strife, and the Lebanon that he tried to calm has become a quagmire for 30,000 Israeli troops.

At home, meanwhile, the lower-class appetites that he brilliantly exploited for votes are largely unsatisfied, and the economy is being crushed by a mountain of debt.

The decisions ahead do require less weary, more open minds. How much austerity and discipline can Israel now withstand? How fast a retreat can it beat from Lebanon? And how, if it clings to Gaza and the West Bank, can it possibly absorb 1.4 million Arabs without ceasing to be either Jewish or democratic?

Mr. Begin stood, finally, for expansionism and populism. It may well be that these themes, as well as the man, are now exhausted.

—THE NEW YORK TIMES.

Other Opinion

On the U.S. Marines

The deaths and wounding of the U.S. Marines in Beirut underscore the difficulties that outsiders have in keeping the peace in strife-torn Lebanon, and serve as a warning against expanding the territory policed by the multinational force of American, French, British and Italian troops after the Israelis pull south from the Chouf Mountains.

The rocketing and mortaring that hit them came while the Christian-led Lebanese army, with which the marines share some checkpoints, tried to put down Shiite Moslem fighters; during the night, shelling had come from positions held by Syrians, and from others held by Druze. The Pentagon said that the numerous shells that fell on the Marines apparently were aimed for the Lebanese army, but fell short. Perhaps, the firing stopped only when the marines returned it.

It would be good if the multinational force could without further harm to itself keep the several warring factions in Lebanon apart long enough for the country to begin pulling itself together, but as of now the prospects look dim indeed.

—Los Angeles Times.

Two U.S. Marines, killed in the line of duty as peacekeepers in Lebanon, provide a depressing counterpoint to Israeli Prime Minister Menachem Begin's efforts to relinquish office. Just as the dead marines symbolize America's reluctant involvement in Lebanon's civil wars, so Mr. Begin's resignation reflects Israeli grief over 517 casualties in that conflict. The United States, for its own strategic purposes, will have to remain as would-be peacemaker in the Middle East despite the sad burden of Marine casualties and the obsolescence of Israeli leadership. Therein lies the link between the American deaths in Beirut and Mr. Begin's decision to resign.

—Baltimore Sun.

The American people join President Reagan in his "profound sorrow" over the killing of two U.S. marines and the wounding of 14

Hopes on the Missiles

Prior to the resumption of the intermediate-range nuclear forces (INF) reduction talks in Geneva next month, Soviet President Yuri Andropov offered to destroy SS-20 missiles, which would be reduced in Europe instead of redeploying them in the Soviet Far East.

We believe that the proposal was a step forward because it complied with Japan's wishes in connection with the projected redeployment. We must remember, however, that there will still remain 108 SS-20s deployed in the Soviet Far East even if the Geneva talks make progress in line with the proposal.

It is about whether President Reagan will or will not run for a second term; whether U.S. labor will back Walter Mondale or John Glenn as Democratic candidates for president; and what the role of government should be.

If, for example, leaders tell the people that the government in Washington is not really their friend in trouble, but their enemy; that all their anxieties about jobs and the education of their children are somebody else's fault; and that the troubles in Central America were all manufactured in Moscow and Havana, it is not surprising that the people are divided and confused.

The question of leadership and opinion has been an issue in this country from the days of Thomas Paine. Walter Lippmann defined it in more modern terms many years ago.

"Those in high places," he wrote, "are more than the administrators of government bureaus. They are more than the writers of laws. They are the custodians of a nation's ideals, of the beliefs it cherishes, of the faith which makes a nation out of a mere aggregation of individuals."

"It is not necessary, or even remotely desirable," he added, "that the leader of a people in a crisis should always be grim, solemn and fanatic. It's a relief, when one thinks of the sulfurous gloom of a Hitler, to think of a Churchill or a Roosevelt, and he reminded of their gusto and their buoyancy, of the decencies of life."

This is what we are missing in the leadership of the world today: the gift of speech, the capacity to reduce the diversity of world politics and the first world economy to a single identity, so that the people can understand the transformation that is taking place in the life of their children.

Leaders do matter. Much depends on how they view themselves, what they say, whether they appeal to the best or the worst in the people—and whether they concentrate on immediate problems, like President Reagan and Prime Minister Begin, or think about the consequences and about the next generation and the next century.

Population Explosion Prevents Any Solution in Central America

By Maxwell D. Taylor

The writer, Army chief of staff from 1955 to 1959 and chairman of the Joint Chiefs of Staff from 1962 to 1964, contributed this comment to the Washington Post.

WASHINGTON — While it is difficult to identify precisely the objectives of U.S. policy in Central America, administration statements and their interpretations by the media allow us to form a pretty clear idea of what our leaders are trying to accomplish. The principal long-term objectives seem to be the restoration of peace and order throughout the isthmus, the exclusion of communist influence and weapons wherever found and control of the flow of immigrants into Mexico and the United States.

Those of us who have argued vigorously with Mr. Begin's policies should give him ample due. In the underground he was instrumental in creating Israel and as prime minister he brought it its first peace with an Arab neighbor — high achievement both. But his West Bank annexation policy has strained Israel's democratic character, diminished the improvement in relations that seemed possible with the Arab world at large and weakened Israel's ties with its foreign friends.

What could change now? The major partners in Mr. Begin's Likud coalition, facing a return to the political wilderness, may be expected to stay together. Having yielded itself to internal feeding, the Labor opposition is poorly placed to test the comforting theory that the Begin years were an aberration and that Israel is overdue to return to a natural liberal accommodationist essence.

It is on the foreign front, in Lebanon, that the downside of the Begin legacy is most evident. Mr. Begin and defense chief Ariel Sharon believed they were creating the conditions for a peaceful repair of long-term Lebanon. Now Israel, under domestic pressure to reduce casualties, is about to make a partial withdrawal, with Lebanon torn as never before. The United States struggles to limit the damage while Moscow savors the opening to reclaim a role. The death of two American Marines in the peacekeeping force in Lebanon only raises the political cost to President Reagan.

Mr. Begin's successor will have no reason to question the strength and passion of his commitment to the security of Israel or the fact that he did have some notable achievements in pursuing that security. What that successor should ponder is whether the Begin policy has not by now accomplished everything of usefulness it possibly can and has now turned on itself—and whether it is not time for a change out of people but of policy as well.

—THE WASHINGTON POST.

Leaders Do Often Matter

By James Reston

WASHINGTON — Journalists are fascinated by political personalities, maybe because it is easier to write about them than about their problems. Is the life of the world changed by the rise and fall of presidents and prime ministers these days? Are they the shapers or the casualties of events, authors of history or prisoners of geography?

When Menachem Begin says he is going to resign as prime minister of Israel, there is a flutter of speculation in the world press, as if the changing of the guard really mattered. And the truth of it is that often it does.

It matters a great deal in authoritarian societies when dictators take charge, as Hitler did in Germany, Stalin in the Soviet Union, Mussolini in Italy and Tojo in Japan. They imposed their dreams and nightmares on the world, and by so doing changed the history of the middle years of this century.

It matters less in democracies, which are subject to public opinion, a free press and representative legislatures—and in Israel the resignation of Mr. Begin may not change policy at all. But even in the tug and haul of free nations, leaders do matter.

For they define questions and issues for decision. They set the tone for optional debate. If they appeal to our fears of nuclear or even conventional war, or to our hopes of compromise, cooperation and reconciliation at home and abroad, that makes quite a difference.

The balance of power and the human family are both important. Much depends on what leaders regard as the problems of the coming age—when two-thirds of the human race at the end of the century will be living in the poor and hungry nations of Latin America, Africa and Asia.

For they define questions and issues for decision. They set the tone for optional debate. If they appeal to our fears of nuclear or even conventional war, or to our hopes of compromise, cooperation and reconciliation at home and abroad, that makes quite a difference.

The film Tokyo Saibain (The Tokyo Trial), a 4½-hour film on the trial of Japan's wartime leaders, raises questions that Japanese did not think to raise just after their defeat. To them, the trial of General Hideki Tojo and his co-defendants was an act of reconfirmation that they were freed at last from the manipulations of the men who had led them to destruction, a reassurance that they were now able to live in peace.

It is interesting to look back at the speeches and the Fidelist Papers at the beginning of the American Republic. Their authors were tough politicians, but they were always referring to their responsibilities to "future generations." The talk here in modern times is mainly about the next election.

It is about whether President Reagan will or will not run for a second term; whether U.S. labor will back Walter Mondale or John Glenn as Democratic candidates for president; and what the role of government should be.

If, for example, leaders tell the people that the government in Washington is not really their friend in trouble, but their enemy; that all their anxieties about jobs and the education of their children are somebody else's fault; and that the troubles in Central America were all manufactured in Moscow and Havana, it is not surprising that the people are divided and confused.

The question of leadership and opinion has been an issue in this country from the days of Thomas Paine. Walter Lippmann defined it in more modern terms many years ago.

"Those in high places," he wrote, "are more than the administrators of government bureaus. They are more than the writers of laws. They are the custodians of a nation's ideals, of the beliefs it cherishes, of the faith which makes a nation out of a mere aggregation of individuals."

"It is not necessary, or even remotely desirable," he added, "that the leader of a people in a crisis should always be grim, solemn and fanatic. It's a relief, when one thinks of the sulfurous gloom of a Hitler, to think of a Churchill or a Roosevelt, and he reminded of their gusto and their buoyancy, of the decencies of life."

This is what we are missing in the leadership of the world today: the gift of speech, the capacity to reduce the diversity of world politics and the first world economy to a single identity, so that the people can understand the transformation that is taking place in the life of their children.

Leaders do matter. Much depends on how they view themselves, what they say, whether they appeal to the best or the worst in the people—and whether they concentrate on immediate problems, like President Reagan and Prime Minister Begin, or think about the consequences and about the next generation and the next century.

It is what we are missing in the leadership of the world today: the gift of speech, the capacity to reduce the diversity of world politics and the first world economy to a single identity, so that the people can understand the transformation that is taking place in the life of their children.

The New York Times

growth alone creates problems so difficult and so costly to solve that the United States can never afford to take so ambitious a target. It is not merely that the regeneration of Central America is beyond any sum Congress is likely to appropriate for the purpose. We must remember that, concurrently, these same conditions that frustrate us in Central America today are present in virtually every other country in Latin America, many of which, like Mexico, Venezuela and Brazil, are far more important to our national interests than Central America.

This list could be lengthened by adding countries in Asia and Africa which, because of their importance as trading partners, lessors of military bases or formal allies, also deserve a higher national interest rating than Central America. From these considerations, future Washington policy designers should be able to draw several useful conclusions. They should perceive the folly of considering a genuine Marshall Plan for this part of the world after having appraised the needs of our national interests worldwide and determining priorities in allocating our finite resources. Such an appraisal should lead them to limit our objectives in Central America to something relatively modest, such as the restoration of order in war areas, an end to identified communist troubleshooting, and the first steps of a realistic social-economic program in which aid for family planning would be a lead item.

What would happen to American policy under such circumstances? It might succeed to a degree in improving the internal security of countries such as El Salvador and Honduras, in neutralizing communist activities such as those now in Nicaragua and in achieving minor improvements in government administration. But the time will never come when we can declare a complete job well done and leave Central America a region of stable pro-
per democracies.

The hard fact is that unchecked population

U.S. Has Missed the Boat With the Law of the Sea

By Jonathan Power

NEW YORK — It is just over a

year since Ronald Reagan announced that the United States was not going to be a signatory to the Law of the Sea. This decision came like a bombshell, because the United States, during the nine tortuous years of negotiations, had been a devoted and creative partner in the effort to draw up a code that would settle the simmering disputes that threaten to make the fight over the oceans' resources reminiscent of the scramble for Africa in the previous century.

Not the least of the ironies was that the U.S. negotiators over those nine years, with one brief interlude, had all been Republicans. Indeed President Richard Nixon, announcing U.S. participation, had echoed Third World rhetoric when he called the seas "the common heritage of mankind." He then proposed a negotiating position so generous that had the Third World grabbed it instead of debating it, it would have given them a better deal than the one that would have been concluded if Jimmy Carter had beaten Ronald Reagan.

The United States, it seems, has maneuvered itself into a peculiar corner. It badly wants the treaty's provisions on a 200-mile exclusive economic zone, a 12-mile territorial limit, rights of passage for its civilian and military ships through narrow straits, pollution control and the system of international courts to arbitrate disputes at sea.

Its reservations are only on one part — Article 11, which governs the question of access to the mineral-rich outcrops that lie in the ocean depths. The Reagan administration decided it could not live with the hard-won compromise its predecessors had negotiated which would establish a dual authority to mine the nodules. Our

part would be the "enterprise" that would mine on behalf of the less-developed countries. The other part would be licensing authority that would allow the big mining corporations access to sites.

The United States has backed itself into a "no-win" situation. Already because of the hiatus caused by the Americans, a number of countries that overlook strategic straits are balking about ratifying the treaty. One such country is Spain, which under the new 12-mile territorial limit (it used to be three) effectively controls the Strait of Gibraltar and thus access to the Mediterranean.

Nevertheless, the United States, according to State Department officials, feels it can circumvent these problems. The fact that the treaty has been negotiated over so many years makes it "de facto international law."

There is, however, no reason why other countries should be quite so obliging. The United States is planning to start licensing its deep sea mining corporations in about 12 months. Russia and India have already formally informed the United Nations of their claims to two mine sites. Large as the oceans are, it is only a question of time before two or more nations or the "enterprise" claim the same plumb sites.

If a situation like this does arise—or another, such as Colonel Moamer Qadhafi claiming stretches of the Mediterranean, or Iran closing the Strait of Hormuz, or the oil tanker route—the United States might find itself wishing it had an international court to recognize by everyone in which to fight its case.

The trial's political purpose was also underscored in the dissenting judgment of the tribunal's jurist from India, Radhabandhu Pal, who believed all the defendants to be innocent because it was unjust for Europeans, after conquering Asia themselves, to accuse the Japanese of trying to liberate Asia from white domination.

By comparison, the Nuremberg Trial had more immediacy because the accused and their victims were all part of Europe. Also, the charges at Nuremberg were more specific since Germany had a single chain of command, and what authority in Japan was more dispersed despite the fact all decisions were made in the Emperor's name.

The Tokyo Trial lasted 30 months, ending in 1948. The defendants were charged on 55 counts from crimes against peace to plotting murder. According to Mr. Roland, one can look back at the Tokyo Trial "with a kind of anger at its unfairness, or one can emphasize the role it played in the development of history."

International Herald Tribune

International Herald Tribune

LETTERS TO THE EDITOR

The Barbie Apology

Regarding the editorial "The Barbie Apology" (IHT, Aug. 19):

Investigator Allan Ryan's thesis that Barbies' treatment was a result of military expediency does not wash with Jews who remember a pre-war United States almost as violently anti-Semitic as it was antiblack.

While Father Coughlin roused his fascist rabble in the Midwest, Gerald K. Smith held a huge rally of the Deutsche-Amerika Bund in New York complete with Stars and Stripes hanging side-by-side with the swastika and U.S. citizens giving Nazi salutes while chanting Heil Hitler.

Leaders do matter. Much depends on how they view themselves, what they say, whether they appeal to the best or the worst in the people—and whether they concentrate on immediate problems, like President Reagan and Prime Minister Begin, or think about the consequences and about the next generation and the next century.

It is what we are missing in the leadership of the world today: the gift of speech, the capacity to reduce the diversity of world politics and the first world economy to a single identity, so that the people can understand the transformation that is taking place in the life of their children.

Red" Tunnel Vision

Regarding "The Aquino Killing" (IHT, Aug. 24):

U.S. foreign policy is full of contradictions. Following the assassination of Benigno Aquino, President Reagan has been urged to cancel a proposed visit to the Philippines. Meanwhile, the U.S. administration is funding a regime in El Salvador which has been openly exterminating political prisoners, doctors and intellectuals in their thousands for years.

With the outbreak of the war, Americans were forced to choose sides. The great majority remained loyal to the United States and served in the armed forces honorably, often courageously. With the occupation of Germany, this reserve of bilingual American servicemen formed a perfect recruiting reservoir for the occupying intelligence services. Nobody

SCIENCE

Artificial Intelligence: Exploring Labyrinth of the Mind

By James Gleick
New York Times Service

YOU'RE looking at a newspaper comic page and your eye falls on today's Jumble. It's an anagram puzzle. You have to turn a few scrambled letters into a word. LOONDERK. A tough one. KRONDOLE KNOODLER. Close. Patterns form and reform in your mind. In this case there isn't even a word there, but at least the patterns look like words. Implausible combinations like EOKDNLRO and NRDOEOK never leap to mind. This isn't like doing arithmetic — there are no rules to tell you how to make these patterns. No conscious logic decides how to tear the letters apart and put them back together. It just happens, with a deftness that belies the power of the decision-making. The grouping is fast, subtle and fluid.

Or so it is when Douglas R. Hofstadter, computer scientist and Pulitzer Prize-winning author, does Jumbles. "I have an unbelievably rapid way of exploring the space," he says, writing KNOODLER on his blackboard at Indiana University. "These words just appear in front of me. Then something else appears, or two or three things over and over again, new possibilities and new combinations — and always English sounds or close to them." He looks at the letters. "I don't make any conscious decisions — I don't say, well let me try this, let me try that. Instead, instantly, the whole word is built in my mind — like that."

In the blossoming field of artificial intelligence, it's no longer astounding to hear about computers mimicking anything from a psychiatrist to a schizophrenic. Yet some of the abilities that add up to intelligence — abilities as simple as recognizing the letter A, or predicting the next number in a sequence (1-2-2-3-3-7), or doing Jumbles — have stayed as mysterious as ever. Generally, what people can do without thinking, computers cannot do at all.

So Dr. Hofstadter is writing a computer program that will try to unscramble Jumbles. In one way, it's a trivial problem. It would be easy to let a computer solve Jumbles by mechanically listing every possible permutation of the letters and checking the results against a dictionary of English words. A program like that, relying on raw, stupid computing power, wouldn't even qualify as artificial intelligence — it would be like untying shoelaces with a buzz saw. Dr. Hofstadter wants his program to do its thinking the same way he does, deep below the level of

consciousness, without logic but with fluidity. He wants a program with an understanding of how words are put together — a program that won't waste a millisecond on ODKNRLEO, but will pause seriously to consider KNOODLER. Above all, he wants the mental juggling and the flash of inspiration.

In lectures around the country and in an especially provocative paper not yet published, Dr. Hofstadter has begun causing a stir in the academic world — not in his own field, where his ideas are far from popular, but among some philosophers of mind, who believe he is claiming a territory all his own at the increasingly busy crossroads of artificial intelligence, neuroscience and philosophy.

CAN machines be taught the most human of human traits — creativity, inspiration, imagination? How does a brain of neurons and synapses come to be aware of itself as a mind? In seeking answers to such questions, Dr. Hofstadter — a 38-year-old associate professor of computer science, with a background in mathematics and physics, a love of music and language, and a weakness for puns is an unlikely philosopher. But in his own modern way, he is reinventing the human soul.

"A lot of people believe that there is nothing going on when you perceive," he said, stepping from his blackboard to a desk covered with papers and unanswered mail. "They say: 'I see a book there. It's instant! It doesn't take any time at all! There can't be any processing or computing going on there. It's just obvious.' Yet whatever unconscious process manages such tasks is so subtle and so powerful that it has eluded the best efforts of artificial intelligence.

The challenge presented by the revolution in artificial intelligence is to show how one might create a mechanical model for the mind — and not just any model, but one that expresses all our wonder at the spark of human inspiration and the power of human will.

Dr. Hofstadter's first book on these matters, "Gödel, Escher, Bach: An Eternal Golden Braid," published by Basic Books, won the 1980 Pulitzer Prize for general nonfiction and then went on to indisputable distinction as the hardest-to-read book ever to spend five months on the trade paperback best-seller list. The book is a richly woven enigma, exploring Bach's fugues, M.C. Escher's drawings and Kurt Gödel's Incompleteness Theorem, the ultimate spoiler of modern logic, which declares that any at-

tempt to build a complete and consistent logical system will inevitably be ruined by undecidable propositions. Riddled with wordplay, mixing mathematical discussions and fanciful dialogues, "Gödel, Escher, Bach" carries readers through the central problems of contemporary philosophy of mind.

In the meantime, there is much disagreement inside and outside of the technical community about just what computers can do. "These are days of hype about computers," Dr. Hofstadter said. "People are being asked to change overnight from a view of computers as basically stupid to the idea that computers are our partners in evolution. Not enough people are saying, wait a minute, how do we really think, what is consciousness, where does our sense of self come from?"

Industry needs computer programs that work now, not programs that point the way to a cognitive science of the future. And the quickest way to make a program accomplish a sophisticated task is to write a sophisticated set of instructions for the computer to follow, step by step, one after another.

"THE problem is," said Roger C. Schank, head of Yale University's artificial-intelligence laboratory, "what you've done at that point is just written down a set of rules. You haven't got a system that can then form its own rules. What you get now are machines that are intelligent enough to do some stuff, but not intelligent enough ever to surprise you."

Mr. Schank, who has also formed a private company, Cognitive Systems, agrees that expert systems are leaving the most important issues of intelligence untouched. He believes the answer is to keep writing rules, but more flexible ones — rules that will tell the computer how to learn and change.

Dr. Hofstadter describes a different approach, based on his view of the subconscious processes of our own minds. Reasoning comes not first but last. Instead of beginning with an overall algorithm, or set of rules, he begins with many small pieces of computer code acting almost independently.

"What you do is, you write a lot of algorithms for little teeny structures and then you allow them to interact in a certain way. You also write the algorithm for how they interact, but you let them, in some sense, swim and interact together. In essence, you let them conderministically interact with each other, and it's the sum total of how they work together that creates intelligence."

In the anagram program, which he calls "Jumbo," one tiny part — "spark" — might pick a couple of letters and put them together. Simultaneously another spark might be looking at other letters, or groups of letters.

Meanwhile, a higher-level part — a "flash" — might be checking a couple of sparks. "There are quick tests for affinity and slightly longer tests for affinity. You can imagine such tests at all levels."

All the time, groups of letters might be formed and broken apart again until gradually, out of the simultaneous swimming together of the many parts, a pattern begins to emerge. No one is telling the computer to create a certain kind of pattern. No one knows exactly what kind of pattern will be created. It just happens.

Or would, if the program worked as well as Dr. Hofstadter hopes it will. So far, it doesn't,

and most of his colleagues — including Mr. Schank — believe that they are on firm ground in viewing his approach with skepticism.

But some, like Marvin Minsky, Donner professor of science at Massachusetts Institute of Technology, believe that history will be on Dr. Hofstadter's side. They argue that expert systems, no matter how impressive they seem, will be a dead end, never learning to find the deep connections between concepts, recognize patterns, carry tasks beyond the instructions set for them.

"Hofstadter's philosophical ideas on how the mind works are just about the best in the world today," Dr. Minsky said. "He's laying out the future — and people are not reacting because there are too many details to do first."

For philosophers who believe that intelligence can be mechanized, a stumbling block has always been the question of who will be doing the programming for an intelligent computer — when a machine is thinking, who is telling it what to think? Where is the "I"? It is a machine version of one of the most ancient philosophical conundrums — a mind-body problem in the tradition of Plato and Descartes.

The exploration of processes below the level of conscious thought may begin a path to the deeper problems of mechanizing inspiration and self-awareness. That is the prospect that tantalizes philosophers.

Some of these issues are raised in a new paper by Dr. Hofstadter with the uncharacteristically forgettable title, "Artificial Intelligence: Subcognition as Computation." It will not be published until fall, but copies have already percolated through several layers of the academic world, stirring special interest among some philosophers of mind.

Dr. Hofstadter argues that artificial intelligence has been caught up with mimicking logic and deduction, at the expense of the more mysterious processes of subcognition. It is a sharp critique. "It is my belief," he says, "that until AI [artificial intelligence] has been stood on its head and is 100 percent bottom-up, it won't achieve the same level or type of intelligence as humans have." Needless to say, in the artificial-intelligence world, the paper's reception has not been warm.

THE response from the technical community generally runs something like this: Dr. Hofstadter has demonstrated no useful working program. He makes strong claims about where true intelligence will and will not be found, but does not back them up with technical work. He offers theories that appeal to philosophers, but philosophers do not have the same need for scientific proofs.

"What saddens me," Dr. Hofstadter says, "is that so many AI people seem trapped in their already-formed modes of thought and their preconceptions. They tend to eschew the whole question of what consciousness means. They avoid the questions of philosophy of mind."

Most educated people today accept the idea that the brain is purely a thing of flesh and blood, neurons and axons and synapses. For most, religious faith in a noncorporeal soul is no longer the answer it may have been a century ago. The problem is to reach a modern understanding of how the plodges of the mind might spring from pure matter. For anyone with a view of the mind as creative and self-aware — anyone, that is, with the vista on the soul that comes



Douglas R. Hofstadter

from looking inward — it is extremely unsatisfying to think of it as nothing but electrical impulses and biological tissue.

"This isn't quite the right word," Dr. Hofstadter remarked. "Pattern, I would say."

Dr. Hofstadter's sense of the soul as pattern is the core of his view of how thoughts and symbols might be built up from the physical structures that neuroscientists see in their microscopes. It hardly matters whether the pattern is rooted in the firing of neurons or the marching ants. Or the switching of silicon chips.

The scientist said the poison is so potent that only a small amount needs to be mixed with corn or other grain for bait. Therefore, for a human to get a fatal dose, he would have to consume an extremely large quantity of bait, which is unlikely, Dr. Dreikorn said.

The chemical also is toxic to humans and there is no antidote to quickly clear the poison from the body in case of accidental ingestion. But if symptoms, such as convulsions, are treated and controlled, the body eventually expels the drug, Dr. Dreikorn said.

A piece of food moves two feet across a colony. An entomologist watching it can describe that bit of behavior just that way, without any reference to the complicated underlying activity of scurrying ants. In the same way, some abilities at the top of human consciousness can be described with rules — the ability to memorize numbers, to reason logically — and the rules are easy for computers to handle. But the rules are the end of the story, not the beginning. To focus on them exclusively is to sacrifice the potential richness of true intelligence.

12,000-Year-Old Organisms Revived

Reuters

MOSCOW — Soviet scientists in the Antarctic have succeeded in reviving organisms frozen in the ice 12,000 years ago, the Communist Party daily Pravda reported. It said researchers had found microscopic fungus spores in samples of ice taken from a depth of about 400 meters (1,300 feet) at the Vostok polar station. Once thawed out and placed in a nutrient mix, the spores started to germinate, the report said. A similar experiment is under way in an attempt to revive 50,000-year-old organisms, Pravda said.

Super Poison Is Developed For Super Rats

By Warren E. Leary

The Associated Press

WASHINGTON — Molecule-manipulating chemists say they have developed a powerful new weapon for mankind's world war against pests: pesticide-resistant rats — a super poison to use against super rats.

Scientists at Lilly Research Laboratory in Greenfield, Indiana, say that a new poison called bromethalin is highly effective against rats and mice resistant to the most widely used poisons.

Dr. Barry Dreikorn said the odorless poison, which attacks the animals' nervous system, is such a different way from other poisons that even resistant rodents — nicknamed "super rats" — are highly susceptible to it.

At a session of the national meeting of the American Chemical Society Tuesday, Dr. Dreikorn said the pesticide has been registered with the U.S. Environmental Protection Agency for use in and around buildings.

The product should be marketed by the spring of next year for professional exterminators, he said, and perhaps later it could be packaged for general consumer use.

The chemical also is toxic to humans and there is no antidote to quickly clear the poison from the body in case of accidental ingestion. But if symptoms, such as convulsions, are treated and controlled, the body eventually expels the drug, Dr. Dreikorn said.

The scientist said the poison is so potent that only a small amount needs to be mixed with corn or other grain for bait. Therefore, for a human to get a fatal dose, he would have to consume an extremely large quantity of bait, which is unlikely, Dr. Dreikorn said.

The firm discovered the poison by accident. Researchers looking at the compound as a fungicide control agent routinely tested it in rats to see if animals were sensitive to the chemical. The substance, which disrupts nerve cells throughout the body, proved unexpectedly lethal in small doses.

"We then started looking at it as a rodenticide," Dr. Dreikorn said.

Initial tests showed rats would not eat the original compound, so researchers manipulated the chemical structure to create a more palatable form. Eventually, they devised a compound rodents readily accepted and sometimes preferred to eat, Dr. Dreikorn said.

The most widely used rat poisons since the 1950s have been anti-coagulants such as warfarin. These poisons destroy the body's ability to clot and the animals bleed to death internally. However, after about 10 years of use, super rats resistant to anti-coagulants began to emerge.

Unlike warfarin, which must be consumed over a period of time to be effective, the new poison is effective in one dose. Better still, Dr. Dreikorn said, animals eating bromethalin develop no symptoms for 24 to 48 hours and die by the third day.

The delayed effect should prevent rats from associating the bait with their eventual illness, he said.

Estimates of Dangerous Waste Quadruple in U.S.

By Philip Shabecoff

New York Times Service

WASHINGTON — The amount of hazardous waste being generated in the United States is nearly four times higher than previously estimated, according to the Environmental Protection Agency.

Preliminary findings of an agency survey said 150 million metric tons of hazardous waste, which is equal to 40 billion gallons, including toxic chemicals, solvents and corrosive agents, were generated across the country in 1981. Previously, without benefit of the information now supplied by waste producers and handlers, the agency had put the amount at 40 million tons.

The 150 million tons does not include hazardous waste produced by small manufacturers who generate 2,000 pounds (about 900 kilograms) or less a year; incinerated chemicals and other hazardous substances not covered by agency regulations, and wastes disposed of by illegal dumpers.

Representative James J. Florio, a Democrat of New Jersey, the chairman of the House Energy and Commerce Committee's commerce

and transportation subcommittee, also said the survey indicated the need to change the hazardous waste management law. In addition, he said that William D. Ruckelshaus, administrator of the Environmental Protection Agency, should tell the White House that much more money and personnel must be devoted to the problem.

But a number of congressmen and others said Tuesday that the survey's findings on the magnitude of the hazardous waste problem and information it disclosed on the handling of those wastes had far-reaching implications for regulatory and legislative action.

Senator Robert T. Stafford, a Republican of Vermont, the chairman of the Senate Environment and Public Works Committee, said the new information underscores the need for proposed amendments to the Resource Conservation and Recovery Act to discourage disposal of wastes on land sites.

Representative James J. Florio, a Democrat of New Jersey, the chairman of the House Energy and Commerce Committee's commerce

and transportation subcommittee, also said the survey indicated the need to change the hazardous waste management law. In addition, he said that William D. Ruckelshaus, administrator of the Environmental Protection Agency, should tell the White House that much more money and personnel must be devoted to the problem.

At briefings Tuesday on the preliminary findings for congressional staff aides, industry representatives, environmentalists and trade publications, agency officials said the results were based on a sample and subject to statistical error.

But several officials of the agency said the actual amount of waste generated was likely to be higher rather than lower than the amount disclosed Tuesday.

From the survey, the agency estimated that 14,100 regulated manufacturers generated hazardous waste in 1981, far fewer than the nearly 60,000 companies that filed forms with the agency saying they were generating wastes, or were in

the process of doing so.

Environmental officials said the results put a new perspective on proposals that underground injection of wastes be eliminated or reduced, noting that the finding of alternative means of disposal now looms as a much larger problem.

Red Cross Recalls Some Blood Units In U.S. After a Donor Dies of AIDS

United Press International

WASHINGTON — The American Red Cross has recalled nearly 6,000 units of a plasma compound for hemophiliacs distributed across the nation because one of the donors died of AIDS.

A Red Cross spokesman said Tuesday the recall of 5,992 vials distributed to 15 of the Red Cross' 57 regions was a precautionary measure carried out "in the best interests of ensuring a safe blood supply."

The donor in question had died of acquired immune deficiency syndrome 10 months after giving blood, the spokesman said. He had made his donation six months before the organization began screening for high-risk donors.

The syndrome strikes mainly homosexual men, but also has become a major concern for hemophiliacs, many of whom must rely on transfusions for the substances necessary for blood clotting.

The special antihemophilic plasma is prepared from a pool of blood contributed by each batch and was able to identify which vials may have been contaminated.

"I believe this is a prudent step taken to ensure that hemophiliacs receive the safest AHF possible," the president of the Red Cross, Richard Schubert said.

The Red Cross supplies 50 percent of donated blood nationwide. The rest is supplied by private and community collection centers.

Workers laid off by their employers.

A man or woman employed by a company with more than 25 workers can expect three-and-a-half years' salary after 28 years of service. A rate of 36 days' salary per year is paid by companies employing fewer than 25 people.

"This can represent an enormous cost, especially to small companies," the employers' confederation spokesman said, "and there are many cases in which they literally go bankrupt under the strain."

The heavy financial penalties for dismissing workers has created a



The mind can immediately recognize the letter A in any of its countless forms but no computer can identify the underlying pattern that makes an A an A.



Soviet Army Crushing Hungarian Revolt; British, French Troops Embark at Cyprus

Leaflets Warn Cairo to Give In

NYSE Most Actives						
	Vol.	Price	Low	Close	Chg	Chg%
DimeS	23438	2496	2232	2574	+174	+13%
Notm	12226	29	27	28.25	+2	+7%
Digital	10483	104.14	99.4	103.14	+10.16	+11.16%
GMer	9994	70.24	68.75	70.25	+1.16	+1.6%
PanAm	9422	7.56	7.16	7.56	+.56	+7.16%
Chrysler	9418	277.6	261.2	277.6	+10.16	+3.6%
USSSteel	9073	27.94	27.14	27.94	+.94	+3.4%
NSemi	8869	554	534	545.25	+11	+2%
ChilGra	5130	45	45.75	46.14	+.39	+.87%
Alcoa	7682	47.14	46.94	47.14	+.14	+2.9%
GenEnts	7652	51.14	49.64	51.9	+1.76	+3.4%
DowCh	6944	37.6	35.75	37	+1.16	+3.1%
Ramad	6603	18.46	18.4	18.56	+.1	+.55%
ATT	6515	65.74	63.75	65.75	+1.01	+1.55%
Halbtm	6427	44	43.75	43.75	+.25	+.56%

Dow Jones Averages					
	Open	High	Low	Close	Chng
Indus	1195.53	1219.82	1191.16	1216.16	+ 20.12
Trans	538.30	541.56	534.72	540.58	+ 10.37
Util	129.53	130.25	128.61	129.53	- 0.53
Comp	471.95	480.63	470.12	479.39	+ 6.99

NYSE Index					
	High	Low	Close	Chg/9c	Chg/1c
Composite	94.89	93.90	94.80	+0.92	+1.17
Industrials	110.65	109.42	110.65	+1.20	+1.20
Trans.	90.21	89.91	90.21	+1.20	+0.37
Utilities	47.34	47.24	47.34	+0.34	+0.46
Financ.	75.03	74.72	75.03	+0.46	

Wednesday's NYSE Closing

Vol. at 4 p.m. 30,000,000
 Prev. 4 p.m. Vol. 62,370,000
 Prev Consolidated Close 72,451,000

Tables include the nationwide prices
 Up to the closing on Wall Street

AMEX Diaries		
	Class	Prev.
Advanced	355	320
Declined	244	207
Unchanged	198	202
Total Issues	777	802
New Highs	19	14
New Lows	7	3
Volume up	4,478,890	
Volume down	2,270,660	

NASDAQ Index			
	Close	Chg.	Week Ago
Composite	292.42	+2.26	291.86
Industrials	353.59	+3.51	350.51
Finance	242.92	+1.37	246.68
Insurance	223.93	+2.18	221.37
Utilities	276.61	+2.37	282.40
Banks	191.51	+0.27	190.40
Trans.	266.68	+4.24	261.71

AMEX Most Actives					
	Vol.	High	Low	Chg.	Chg.
ImcCh	8143	\$54	\$51	+54	+ 1/4
InstSy	5744	\$58	\$54	+34	+ 1/4
WongB. s	2913	\$148	\$145	+3	+ 1/4
Cross 5	3188	\$145	\$141	+4	+ 1/4
DomeP	3298	\$14	\$13	+4	+ 1/4
VrbItm s	2793	\$294	\$284	+20	+ 1/4
ArndHl 5	2150	\$69	\$65	+4	+ 1/4
Defmed	1527	\$248	\$240	+8	+ 1/4
NTPeMh1	1251	\$224	\$214	+10	+ 1/4
ChmHl	1246	\$58	\$48	+10	+ 1/4

Sleep and play

BUSINESS BRIEFS

Calderon Berti Leaves Oil Ministry
To Direct Petroleos de Venezuela

CARACAS — Venezuela's energy and mines minister, Humberto Calderon Berti, has been named president of the state oil company, Petroleos de Venezuela, a company spokesman said Wednesday. The former oil minister will be sworn in Thursday by President Luis Herrera.

Mr. Calderon Berti's replacement at the ministry is vice minister Jose Ignacio Moreno Leon, who was sworn in Wednesday.

A spokesman at the oil company said earlier Wednesday that General Rafael Alfonso Ravad, the company's president since Petroleos de Venezuela was created eight years ago, would step down in a shuffle of the board that was decided upon in August.

Caterpillar to Close Newcastle Plant

PEORIA, Illinois (Reuters) — Caterpillar Tractor Co.'s British subsidiary plans to close a construction machinery factory near Newcastle next year and transfer its production to a plant in Glasgow, Caterpillar said Wednesday.

It said the closure was caused by a need to trim manufacturing capacity in Britain as a result of continued low market demand. "There will be further discussions with union representatives to review how this will be accomplished, including the effect on the plant's 960 employees," said Robert Burrough, the Newcastle plant manager.

Lufthansa Earnings Up in First Half

COLOGNE (AP) — First-half earnings of Deutsche Lufthansa AG rose on a 3.3-percent increase in revenue to 3.5 billion Deutsche marks (\$1.3 billion) from the first half of 1982, the airline said Wednesday in an interim report.

It said earnings had grown faster than costs, so the half-year result showed improvement over 1982. But it did not spell out its profit performance and said it could not predict how this year's overall results would compare with 1982, when the airline earned 45 million DM.

Lufthansa's management warned that rising fuel prices, discount fares and uncertain interest and currency rates could cause problems in coming months. The airline, about 82 percent owned by the government, said capital spending was \$24 million DM for new aircraft and replacement engines in the first half.

United Airlines to Raise Most Fares

NEW YORK (UPI) — United Airlines says it will raise most of its fares by up to \$20 in October, after the peak travel season ends. The move could mean higher air fares across the United States.

United said it would raise its regular coach fares \$10 to \$20 each way, beginning Oct. 1. Trans World Airlines, American Airlines and Pan American World Airways, among other airlines, said they were studying United's action.

United officials expressed confidence that, given the improving U.S. economy and an apparent truce in the industry's fare battles, the increases would not dampen passenger traffic.

Ford Werke Reports Satisfactory Half

COLOGNE (Reuters) — Ford Motor Co.'s West German unit had a satisfactory first half and is optimistic about the future, senior company officials said Wednesday at the annual meeting. They gave no figures, however, for first-half profit, turnover or output.

The management board chairman, Daniel Goeddevert, said new orders in the first six months supported positive forecasts for business in the medium term. He added that Ford Werke AG was within reach of raising its domestic market share this year to 12.5 percent from 11.3 percent in 1982, after achieving a 12.4-percent share in the first five months and 13.6 percent in June.

Ford Werke increased first-half car exports, which accounted for just under 70 percent of sales, by 8.4 percent while the rest of the industry saw a decline of about 4 percent. But Mr. Goeddevert said exports continued to be a major risk because of exchange rate fluctuations and slow recovery in key markets.

Chrysler to Raise New-Model Outlays

SAN DIEGO (NYT) — Chrysler Corp. is planning to increase outlays for new models of cars and trucks in the next few years, according to Gerald Greenwald, vice chairman of the company. Capital spending in 1983-87 will rise to \$8 billion from a previous target of \$6.5 billion, he told Chrysler executives at the annual new-car preview in San Diego.

The announcement Tuesday reflects one immediate effect of the recent repayment of Chrysler's remaining \$800 million in federally guaranteed loans. Before the debt was repaid, Chrysler would have had to seek government permission before making the change.

Bennet E. Bidwell, the former Hertz Corp. president who recently joined Chrysler as executive vice president for marketing, predicted total automobile sales in the 1984 model year of 10 million, up from just under 8 million in 1982 and about 9 million in 1983.

Last 2 Herstatt Defendants Convicted

COLOGNE (Reuters) — A court closed the books Wednesday on the case of the private bank LD. Herstatt, convicting the last two defendants of fraud and complicity in the biggest bank failure in West German history.

Two senior bank officials, Bernard von der Goltz and Heinz Hederich, were sentenced to two years and five months and fined 45,000 Deutsche marks (\$16,600) each. The bank, which folded in 1974, lost 1.2 billion DM after speculating in currencies. The trial lasted a record four and a half years.

The prosecution of the bank's managing director, Iwan Herstatt, and his chief foreign exchange dealer, Danny Dattel, was dropped because both men were in ill health. Three other foreign exchange dealers for Herstatt were convicted in March and sentenced to up to seven and a half years in prison. An eighth defendant was given a two-year suspended sentence in June.

China Expands Plan
To Give Tax Holidays

BEIJING — China will extend the tax holiday it offers foreign companies in certain new Chinese-foreign joint ventures to five years from three. Li Peng, deputy minister of finance, said Wednesday. He said the extension would apply to ventures with a life of at least 10 years.

The period of reduction or exemption, whichever applies, will start from the first year that the venture makes a profit, he said, adding that the Finance Ministry was submitting to the state council proposals concerning joint ventures already in operation.

Herald Tribune
The Whole World in Your Hands

TO OUR READERS...

Please let us know about any problems you may have obtaining your copy of the International Herald Tribune. Write with all pertinent information to:

François Desnoes
Circulation Director
International Herald Tribune
181 Avenue Champs-Elysées,
75220 Paris, France.
In Asia and Pacific write to:
Alain Lecour
International Herald Tribune
1005 Telstra Commercial Building,
24-34 Hawaiian Road, Hong Kong.
(100 991)

New Bank Marks Significant Stage in Malaysia Islamization

By Dinah Lee
International Herald Tribune



Humberto Calderon Berti

KUALA LUMPUR — When the prime minister of Malaysia, Mahathir bin Mohamad, signed up as the first customer of Southeast Asia's first Islamic bank, he was doing more than lending token support at another ribbon-cutting ceremony. The opening of Bank Islam Malaysia this summer marked a significant stage in Malaysia's development as an Islamic state.

The bank is to be followed in coming years by the establishment of an Islamic insurance system, pawnshops run on Islamic principles and a university with compulsory Islamic studies for undergraduates. Proposals for these, as well as more basic changes in Malaysian law governing gambling, alcohol and pork consumption, and the accumulation of private wealth are expressions of a revival of Islamic fundamentalism that over the past 10 years has changed Malaysian politics.

The new Islamic bank serves the country's seven million Muslims — nearly half of Malaysia's multiracial population of Chinese, Indian and Malays — by offering banking without the anti-Koranic taint of interest.

The bank is based on four principles of sharing profits and losses and avoidance of interest:

• **Musharaka.** The bank provides capital and splits profits among agreed lines with business, but absorbs any losses.

• **Mudharabah.** The bank shares management responsibilities as well as profits with the borrower in the form of joint venture.

• **Wadiah.** The bank may manage assets, with the permission of the owner.

• **Murabaha.** The bank can finance equipment or property purchase by selling to the client at an agreed profit margin.

A depositor in the bank becomes an investor in the projects the bank finances. For the moment, the bank has agreed with its investors-depositors to distribute profit in a ratio of 70 percent to the customer and 30 percent to the bank.

Under the Islamic Bank Act of 1982, the bank's equity will be mostly publicly held, at least for the early years. The federal government holds 30 percent, the state Islamic departments 25 percent

and government agencies and various Islamic institutions the remaining 45 percent.

Mr. Halim said the bank could reasonably expect in about three years to have flushed out of the community as much as 2 billion ringgit (about \$820 million). By then, he hopes, in addition to its Kuala Lumpur headquarters the bank will have 13 state branches.

The key to the bank's success will be in attracting non-Modem depositors as well as the faithful. Mr. Halim is anxious not to have the bank merely serve as a token symbol of the country's official religion. He said he felt there was no reason for the Chinese Malaysian community — more affluent than the Moslems — to rule out banking with Islam.

"It is very difficult to stop once it has started," he said.

Complicating the political picture for the United Malays party is an aggressive lobby of well-educated Malays youths who were converted to Islam while studying overseas. In a move that seems aimed at stemming the popularity of the Parti Islam, Mr. Mahathir drew into his party's leadership Anwar Ibrahim, leader of the fundamentalist Muslim Youth Organization. Plans for the Islamic bank reportedly got off the ground shortly after Mr. Anwar's arrival.

Wadhabah to them. "Well, if that's what you meant all along, then I'm interested."

Mohammed Abu Bakar, a lecturer in arts and sciences at the University of Malaya, said "re-education" was the key to persuading non-Moslems that they could benefit from the Islamization of the country. Mr. Abu Bakar believes that Mr. Mahathir and his party must respond to the growing pressure to institutionalize Islam in Malaysia.

"It is very difficult to stop once it has started," he said.

Complicating the political picture for the United Malays party is an aggressive lobby of well-educated Malays youths who were converted to Islam while studying overseas. In a move that seems aimed at stemming the popularity of the Parti Islam, Mr. Mahathir drew into his party's leadership Anwar Ibrahim, leader of the fundamentalist Muslim Youth Organization. Plans for the Islamic bank reportedly got off the ground shortly after Mr. Anwar's arrival.

Banks' Role Shifting in South Korea

(Continued from Page 7)
and medium-size companies, but reduce corporate debt, especially that of the big industrial groups.

Most South Korean companies are heavily in debt. The ratio of debt to shareholders' equity for South Korean manufacturers averages more than five times that in the United States. "The banks must now be disciplining agents," Mr. Kim said.

The KorAm Bank's 10-member board is evenly split, with five Bank of America representatives and five South Koreans. The Bank of America holds no formal management contract. But it is the largest single shareholder, so the Bank of America representatives are expected to have considerable say in how things are run.

Moreover, Mr. Kim, 48 years old, is not a banker by training but a Western-educated economist who for 11 years was president of the Korea Development Institute, a government-backed research organization. "Kim is an open-minded pragmatist," said a foreign banker.

One of the main differences between KorAm and traditional South Korean banks is its decentralized management. At Korean banks, for example, an individual wishing to conduct a simple transaction, such as withdrawing money, will receive a number from the teller and then wait for approval at three or four levels of authority. Tellers at KorAm handle most transactions themselves.

Similarly, KorAm is using an account officer system for corporate loans in which one banker deals with a company. Again, this is a relatively decentralized system.

"There will be much more delegation of authority in our organization to respond quickly and provide new services," said Charles R. Yirchott, the 43-year-old executive vice president of KorAm who is its senior Bank of America representative.

For competitive reasons, KorAm officials decline to say what new services they plan to introduce to

the Korean market. But obviously they see a latent demand for more offerings. Bank and department store credit cards are new in South Korea, for example, but the demand for them is growing. As of April, 1.2 million cards had been issued, compared with 700,000 in early 1982.

The retail products are pretty much plain vanilla here," Mr. Yirchott said. "And we are looking long and hard at new services to offer."

But Mr. Yirchott emphasized

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

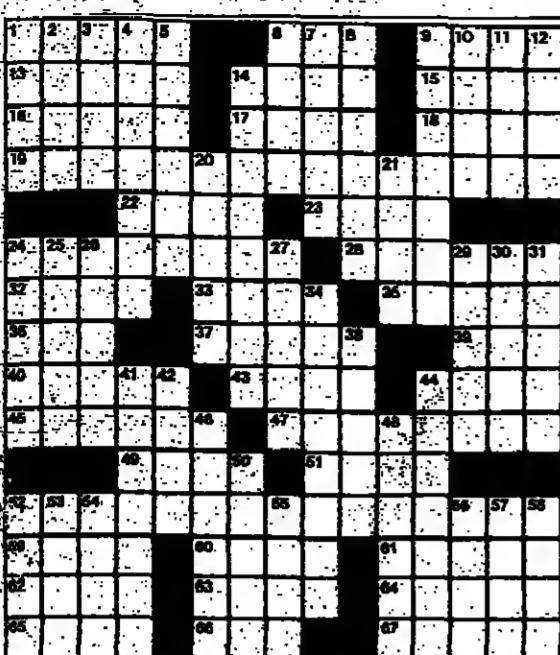
that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Apgujeong, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like long, low tables. Customers will sit in plush chairs across from the tellers.

In that affluent neighborhood, women do most of the family

CROSSWORD



ACROSS

- 1 Total
- 2 Transport in Asper
- 3 Part of a Blackmores ride
- 4 Salt or smoke
- 5 Moreno or Hayworth
- 6 Concentrated — part (dissimilar)
- 7 Earthmovers of a kind
- 8 Inadvertent remark
- 9 Ireland, once
- 10 Bi-focal, e.g.
- 11 White House occupants in '80's
- 12 Undone
- 13 In — (walking)
- 14 Western writer Grey
- 15 Word with house or keeper
- 16 One of the Gumps
- 17 Mythical creature
- 18 Have
- 19 John Book club
- 20 Beige
- 21 Part of an acronym

DOWN

- 1 Vestments
- 2 Barbie or Ken
- 3 Number before vier
- 4 Like some funds at hand
- 5 Creole, for one About
- 6 U.S.S.R. cooperative
- 7 Not so crazy
- 8 Rapid follower
- 9 Word with door
- 10 Jewish title of honor
- 11 Form V.I.P. at the Met
- 12 Westernmost of the Aleutians
- 13 Promontory

© New York Times, edited by Eugene Maleika.

DENNIS THE MENACE



PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four common words.

By Herb Arnold and Bob Lee

I'm in a hurry. Write as well as you can!

CELEX

NAPCI

PHEWEN

KANTLE

WEATHER

EUROPE

ASIA

AFRICA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

REX MORGAN

GARFIELD

CELESTE

NAPCI

PHEWEN

KANTLE

WEATHER

EUROPE

ASIA

AFRICA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

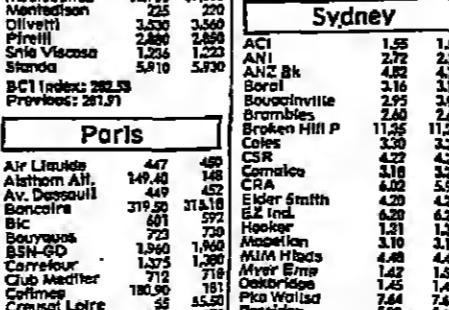
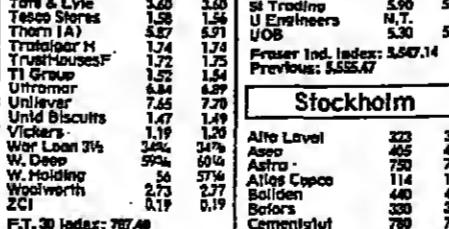
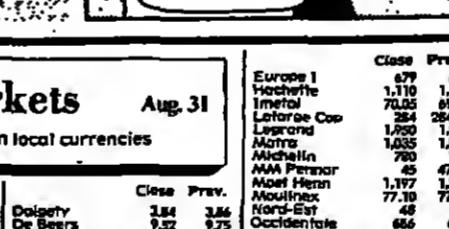
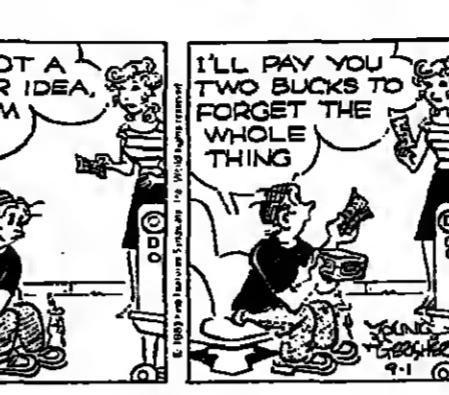
OCEANIA

Solution to Previous Puzzle

Nigeria Is 6th Member Of Tin-Producer Group

The Associated Press

BANGKOK — Nigeria joined the Association of Tin Producing Countries on Wednesday, Thailand's Foreign Ministry said. The association was established on June 17 by Malaysia, Indonesia, Thailand, and Vietnam. Other members are Bolivia and Zaire. APTC countries produce more than 90 percent of the world's tin.



BOOKS

INDIA BRITANNICA

By Geoffrey Moorhouse. 288 pp. \$22.95. Harper & Row, 10 East 53d St., New York, N.Y. 10022.

THE IMPERIAL IMAGINATION: Magic and Myth in Kipling's India.

By Lewis D. Wurgift. 211 pp. \$24.95. Wesleyan University Press, Middletown, Connecticut.

Reviewed by Michiko Kakutani

ON Aug. 15, 1947, the British Union Jack was hauled down from flagpoles around the country, and the Star of India was raised in its place. Lifting glasses of port, Britain's last viceroy and the new country's first prime minister toasted each other. "To India," said Lord Mountbatten. "To King George VI," replied Jawaharlal Nehru. It was an amicable and deceptively simple ceremony, marking the end of an extraordinarily complicated and highly emotional relationship — a relationship that would shape the history of both countries and indelibly imprint itself upon their peoples' collective memories.

For the British, as these two books demonstrate, India was more than just another imperial pawn. Somehow, it elicited a far more personal response. Romanticized by both writers and members of the Indian Civil Service, India assumed mythic proportions in the British imagination: It became a mysterious, exotic place, where fortunes could be made and careers galvanized, a place where all the old aristocratic virtues could be tested and the fantasies of empire realized.

In practice, the British exhibited toward India a remarkable mixture of condescension, self-interest and earnest good will; and when it came time to leave, they left with sadness and nostalgia. The loss of India, after all, meant not only the loss of dominion over a subcontinent, but also the end of the empire and the end of an entire way of life.

Although it possesses neither the scope nor elegance of James Morris's splendid "Pax Britannica" trilogy of the empire, Geoffrey Moorhouse's "India Britannica" tells the story of the British in India with fluency and concision. There is a tendency, on the author's part, occasionally to sentimentalize the motives of the British, but he does his best to be fair, sorting through the heightened, self-serving rhetoric that surrounds such incidents as the Indian Mutiny of 1857 and the Amritsar massacre of 1919 with care.

Taking a broadly chronological approach, Moorhouse charts the expansion of the East India Company's holdings during the 17th century, the invasions shift in British interests from the commercial sphere to the political, the efforts of English evangelists to remake India in their own image during the early 19th century, and the growing isolation of the British community within their expatriate enclaves.

Through portraits of individuals and brief

assessments of major events, he sketches in both the achievements of the British — their legacy included the institution of elected parliamentary government, as well as an extensive public works system — and their failures. As he sees it, the British realized for quite some time that independence was inevitable, but were ambivalent about implementing the necessary changes; their difficulties arose from a combination of blinkered moral superiority and a parochialism that made it difficult to come to terms with India's myriad local languages and customs.

In "The Imperial Imagination," Lewis D. Wurgift takes a considerably more dogmatic stance, arguing that the British willfully deluded themselves about India by spinning a "heroic mythology" around the country that obscured its realities. He contends that the British juxtaposed an image of themselves as self-sacrificing paragons of moral will and restraint, with an image of India as a dark, unknowable land filled with dangers and temptations. "To the Anglo-Indian imagination, as to Kipling's," he writes, "India itself was thoroughly and threateningly libidinized, and the dislike of native India was rooted in a fundamental fear of its seductive and mysterious qualities."

Though Wurgift does make several illuminating points, his approach is also seriously flawed. For one thing, he is too quick to assume that Kipling's pronouncements were representative of the British point of view. Rudyard Kipling's beliefs, like those of any writer, were the product of his experiences and psychology — as much a reflection of the cultural milieu — and to so freely extrapolate from his writings seems both naive and unfair.

Equally disturbing in this book is the attempt by Wurgift, who is a psychologist, to assess British attitudes toward India in terms of psychoanalytic principles. "The Anglo-Indian community demanded of its own members the contamination or internalization of emotion," he writes in a fairly typical passage. "In object relations, this attitude corresponds to the point in early emotional development marked by the wish to retain the love object, rather than simply to merge with it or to destroy it." Such observations do not shed new light on the relationship between the two countries; rather, they subjugate real events to abstract theory and reduce the complexities of history to jargon.

Michiko Kakutani is on the staff of the New York Times.

Toll Booth to the Smithsonian

The Associated Press

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

BRIDGE

By Alan Truscott

SOME old-fashioned virtues are often called for at the bridge table. On the diagramed deal, East displayed both patience and charity and was duly rewarded.

With a powerful distributional hand, South eventually pushed on to game when his partner produced a tepid preference for spades. West ventured a speculative double that was then vindicated by his partner's defense.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have done best to shift to a heart. Instead, he put his partner to the test by shifting to a trump.

East passed the test by patiently ducking. Taking the ace and continuing would have stopped a diamond ruff, but would have left South in full control.

South was able to win cheaply and ruff a diamond. East could have overruled, but play by refusing to overruff. He discarded a heart, for he could see that South would have a problem of control.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have left South in full control.

The defenders needed one more trick, and East found the

only way to insure that they got it. Exercising the virtue of charity, he made South a gift of the heart king by playing that card. South could score two heart tricks and his winning trump, but since he had lost control he could not make use of his established diamonds.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have left South in full control.

South was able to win cheaply and ruff a diamond. East could have overruled, but play by refusing to overruff. He discarded a heart, for he could see that South would have a problem of control.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have left South in full control.

South was able to win cheaply and ruff a diamond. East could have overruled, but play by refusing to overruff. He discarded a heart, for he could see that South would have a problem of control.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have left South in full control.

South was able to win cheaply and ruff a diamond. East could have overruled, but play by refusing to overruff. He discarded a heart, for he could see that South would have a problem of control.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have left South in full control.

South was able to win cheaply and ruff a diamond. East could have overruled, but play by refusing to overruff. He discarded a heart, for he could see that South would have a problem of control.

South entered his hand with a club ruff and led the spade king. Patience exhausted, East took his ace and led his last club. South ruffed and led a diamond, which East ruffed to reach this position:

The opening lead was the club king. South ruffed, cashed the diamond ace and continued the suit. West won and would have left South in full control.

Canadian Stock Markets

Prices in Canadian cents unless marked \$

Aug. 30

Toronto

High Low Close Chg

100 MICC 876 876 876 16

100 Martex 2 2 2 2

9480 Moton 19 19 19 16

11 Natl Trust 22 22 22 16

3020 Noranda 22 22 22 16

1000 Novia 24 24 24 16

U.S. Agency Weighs Steps to Limit Bank Services

By Kenneth B. Noble
New York Times Service

WASHINGTON — The Federal Deposit Insurance Corp. is an apparent attempt to expand its regulatory powers, is considering the adoption of new rules on the services banks may offer.

William Isaac, the chairman of the insurance agency, said Tuesday that any new regulations might apply to federally chartered banks in addition to state-chartered banks which it normally supervises.

"We're not trying to impose restrictions," Mr. Isaac said. But, he said, the agency is soliciting comment on whether or not it should limit bank involvement in real estate, insurance brokerage and underwriting, and travel services. Some states have allowed state-chartered banks to enter these sectors.

"Ideally, I would like Congress

to deal with these issues, and make most of what the FDIC is doing moot," Mr. Isaac said at a news conference.

He added, however, that Congress did not seem willing to grapple with many of the changes occurring in the financial services industry, and that consequently, it was the responsibility of the FDIC to assess the effect of such changes "on bank safety and soundness."

The news conference followed an open meeting in which the three directors of the FDIC voted to seek comment from the industry and the public on what guidelines or regulations to impose on non-banking activities by banks.

Robert Richard of the Conference of State Bank Supervisors, an association that represents the state regulators, said such guidelines would amount to a federal intrusion into an area traditionally managed by the states. Mr. Richard is

the conference's director of supervisory procedures.

The federal agency, he said, "should not be in the position of deterring or encouraging expanded powers for state-chartered banks, as that is a matter for state determination." He added that his group was very concerned that the FDIC will develop and issue universal rules that will frustrate the actions of individual states to broaden the powers of state-chartered banks.

Mr. Isaac said that he had expected opposition from state banking officials. "I suspect some state banking departments will say it's none of our business." But he added that while "they shouldn't be a national policy" about how non-bank services should be regulated, "we have to look at the risks and see if they propose a threat to the insurance fund."

The FDIC said in its announcement that several states have adopted provisions that allow

banks to invest a certain percentage of their capital in non-banking financial enterprises. As an example, the agency said, the Washington Mutual Savings Bank of Seattle operates a full-service brokerage subsidiary and the Boston Five Cents Savings Bank has organized two mutual fund subsidiaries.

Similarly, in Massachusetts, Connecticut and New York, mutual savings banks were recently authorized to engage in certain insurance activities. And the California legislature recently enacted a law that will authorize securities and real estate activities by banks.

"As banking powers are expanded by the state legislatures," the agency wrote in its notice, the FDIC has "both the responsibility and the authority to carefully weigh these developments in its capacity as a supervisor of insured non-member banks and insurer of the nation's banking system."

Continental To Sell Some Paper Plants

By Mark Potts
Washington Post Service

WASHINGTON — Stone Container Corp., a manufacturer of corrugated boxes and paper bags, has agreed to buy a large part of the forest products division of Continental Group for \$310 million.

Included in the acquisition are three paper mills, 15 plants that make corrugated boxes, five plants that make paper bags, and long-term cutting rights on timberland owned by Continental, the company said Tuesday.

Roger W. Stone, chairman and chief executive officer of Stone Container, based in Chicago, said the "timing of this transaction is particularly advantageous" because the "signs clearly point to a significant cyclical upturn for our industry."

He added that the box and bag plants being acquired, which are scattered across the country, would allow Stone Container to expand its markets in the Sun Belt.

S. BRUCE SMART JR., Continental's chairman and chief executive officer, said the sale of the forest products operations would result in an "improved balance sheet" and lessens the impact of a "cyclical business on our overall performance."

Continental, a diversified forest products, packaging, insurance and energy company, said it intended to use \$288 million of the proceeds of the transaction in a tender offer to repurchase its own common shares. The company, based in Stamford, Connecticut, said it would offer \$48 a share for 6 million common shares outstanding.

Mesa Chief May Be Hunting Again, But Can He Really Afford His Prey?



T. Boone Pickens Jr.

plans, except to insist that Mesa's shares of Superior simply represent an investment.

But analysts agree that Superior is ready for a merger. Superior owns huge reserves of natural gas and oil, assets that have attracted big prices in takeovers in recent years. But the company has been racked this year by a family feud reminiscent of something from the television show "Dallas" and the discord has apparently made the company vulnerable to takeover.

The apparent victor in the battle is Willamette Keck Day, a major shareholder, who rebelled against a stockholder group led by his brother, former Chairman Howard B. Keck.

Mr. Keck Day's faction won the stockholders' approval of a plan to create a committee of three outside directors who would be required to evaluate takeover bids and recommend acceptance of what was called any "reasonable offer" for more than 45 percent of the company's stock.

That action had the support of Mesa, which holds about 3.9 million shares, or a bit more than 3 percent of Superior's stock.

USAir Orders 15 Boeing Airliners

Washington Post Service

WASHINGTON — Washington-based USAir said Tuesday it ordered 15 jetliners valued at \$330 million from Boeing Co.

USAir exercised an option to purchase 10 new 737-300s and added five 737-200s to the order. The 737-300 is currently in production; the 737-200 is Boeing's newest

model, and the first copy, for delivery to USAir, is expected off the production line in January.

The order from USAir brings to 40 the number of firm commitments from five airlines to purchase 737-300s, a Boeing spokesman said. More than 1,000 earlier model 737s have been sold worldwide to 113 airlines.

Over-the-Counter

NASDAQ National Market Prices

Aug. 31

Sales in 100s High Low 3pm Chg.

A Net

AGCO 34 12% 30 18 + 1/2

AGS 42 28 25 24 + 1/2

ASC C 162 20 19 18 + 1/2

Adco 47 124 12 12 12/16 + 1/2

AirWise 74 145 16 16 16

Altron 28 124 12 12 12/16 + 1/2

Altria 12 12 12 12 12/16 + 1/2

Sunken Schooner Rises
On 4,600 Trash Bags

An old schooner that played peacock with onlookers as it was emerged from the bottom of Los Angeles harbor only to sink again "up to stay," thanks to 4,600 inflated trash bags. The ups and downs of the 62-year-old, 96-foot Prince Louis rivaled those of the stock market during salvage efforts yesterday and Tuesday before victory was declared Tuesday night. Chet Scott, who dreamed up the offbeat salvage job, dove back into the 30-foot-deep harbor Tuesday to inflate the last of 4,600 heavy-duty garbage bags with an air hose. The Prince Louis, built in 1921, came to the United States from Denmark in 1969. Scott, 31, a Long Beach crane operator and salvage diver, traded his pickup truck as part of the deal for the schooner, which he vowed to make his home. He persuaded Mobil Chemical Co., Rochester, New York, to don the heavy-duty bags. Scott plans to use the boat as a fishing barge initially to help raise money for restoration. He says he'll move in later with Lisa, his wife of one month.

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime, removing a walrus tusk from Alaska state wildlife refuge, in district Attorney Vic Kramer, said Anchorage that while removing 24-inch tusk from a beach Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's party to visit the state-controlled refuge. The Massed Democrats had returned to Alaska.

A retired man in Hollywood, Florida, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says he's found "nearly fell over" upon learning of the reward. Bob Weberg, 70, got the bond back May 1. The finder, Vincent Pase, 73, of Hallandale, had been advertising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him I was willing to give him \$25,000," Weberg said. Pase found the bond in a bank photocopying machine where Weberg accidentally left it July 11.

ART BUCHWALD

Who Makes U.S. Policy?

WASHINGTON — A group of elite Eastern establishment government watchers was having lunch the other day, discussing one of our favorite subjects: "Who is really in charge of U.S. foreign policy?"

It was of particular concern to all of us, because the odds of President Reagan running again look better all the time.

We decided to do it by process of elimination.

"We know it isn't anyone in the State Department," Brannagh said. "State's been out of it since Reagan moved into the White House."

"Haig was fired because he tried to interfere in foreign affairs, and George Shultz usually gets his information as to what the U.S. has done from The Washington Post."

"What about Secretary of Defense Caspar Weinberger? He's an old pal of the president and has tremendous input in foreign policy."

"We can't discount him," Healy said. "But I don't think he's Mr. Big. I believe he is more concerned with getting as much military equipment as possible for the Defense Department. But he doesn't really care where we use it."

"It doesn't have to be a man," Zeigler said. "It could be a woman."

"You mean Nancy Reagan?"

"Not necessarily, though she certainly has the ear of the president. I was thinking of United Nations Ambassador Jeane Kirkpatrick. The president is very taken with all her ideas. Wouldn't it be wild if a woman was in charge of foreign policy?"

"Kirkpatrick could be the power behind the throne," Christmas said. "Yes, I believe it's someone right in the White House."

"What about Vice President George Bush?"

Cemetery for Atheists

The Associated Press

GROTTOES, Virginia — A private inn has become the first cemetery for atheists. His body was taken from a pickup truck and buried without ceremony or coffin in the American Atheists Infinite Cemetery.

"Let's be serious, guys. When has a vice president ever had anything to say about foreign policy?" Cannon said.

"That's Jim Baker, Mike Deaver and Ed Meese."

"They're too busy worrying about the president getting re-elected to get involved in foreign affairs. The only time they mix in is if they think a policy is going to affect votes in the U.S."

"Well, that leaves the president's national security adviser William Clark. He's a hardliner on the Soviet Union."

"It's too obvious," Trentham said. "Besides, I just have a gut feeling he doesn't have the smarts to conceptualize foreign policy. His strength is carrying out orders."

"But whose orders?" I asked.

"Everyone tried to think hard."

"Bill Casey of the CIA?" Vaugrant suggested.

"We ignored him."

"Is there someone in the kitchen cabinet that could be running things?"

"The kitchen cabinet doesn't exist anymore. They all went back to California after the election. Look, the foreign policy of the U.S., as it stands now, is to blame the Soviets for everything, but still sell them wheat. Show American power around the world, but don't get American soldiers involved. Give a bloody nose to Qaddafi, reward all our friends with military equipment by claiming they are not violating human rights, still the arms talk until we get the Pershing missiles placed in Europe, make Castro the biggest threat to worldwide peace, and consult with our allies only after we've decided to do something that they might object to. Now who is behind all that?"

"This is just a crazy idea," Trentham said. "But could Reagan himself be Mr. Big?"

"You mean the president of the United States?" I asked, flabbergasted.

"Why not? He's got the authority," Brannagh said. "Reagan doesn't know anything about foreign affairs."

"So?"

The thought was so mind-boggling none of us could finish our salads.

Filming 'Under the Volcano' Under Mists of Popocatépetl

By Aljean Harmetz
New York Times Service

CUERNAVACA, Mexico — It rains every afternoon, a polite rain that spatters the blue macaw in John Huston's garden without soaking through its feathers to the skin. The garden, like all of Cuernavaca, lies under the volcano. But none of the young movie-makers playing poker in John Huston's garden has seen Popocatépetl yet. It will be the dry season, next November, before the volcano unbursts its shroud of mist and looms naked above the city day after day.

It is the volcano that has brought them all to Cuernavaca — brought the 77-year-old director and the 32-year-old producer who holds his eyes behind dark glasses in even the dimmest light and the tough young man who, tomorrow, will run down a hot Mexican street with a camera strapped to his back and who is now, quietly and steadily, losing at poker.

They have been brought by the volcano and "Under the Volcano," the novel Malcolm Lowry wrote about Cuernavaca and the moral choice of his own drunkenness and the breakdown of values in the 20th century.

On the day after the poker game, John Huston will begin to make a movie of "Under the Volcano." The three actors who will transfer Malcolm Lowry's torment to film are not at the poker game. Albert Finney is a bridge player. Anthony Andrews has flown back to London for a funeral. And perhaps Jacqueline Bisset sensed that there are poker games where women are not wanted.

It is the volcano that makes one so frightened that one has such a great desire to please him," she says. "Years ago, when I was a very young actress, I was very wary of his awesome presence, which carried a lot of potential danger because he was supremely in control. Now I find his gentle, very touching. His face is magnificence. There is no rejection or resistance to experience written anywhere on it."

There's only one experience in life I'm aware of having rejected," John Huston says tardily. "Homosexuality."

It is Monday afternoon at 3 P.M. and he is being driven to the small town of Yantepetl, where Malcolm Lowry's Cuernavaca of 1938 has been re-created by the respected Mexican painter Gunther Gerzso, who accepted

death. John Huston will not shake off his embusma when the mist melts from Popocatépetl next November.

There is an odd acknowledgement of this as the chips are stacked and the cards dealt. The men at the table rush to call him by name. "It's up to you, John." "He's out, John." "It's your deal, John."

It is only John Huston's fingers that fumble. The Academy Award-winning writer-director of 38 movies, including "The Treasure of the Sierra Madre," "The Maltese Falcon," and "The African Queen," loses a little money but not because he plays any worse than he has played Sunday after Sunday for the last eight years. It is the pigeons who lose the most — foreign journalists and Guy Gallo, the screenwriter of "Under the Volcano," who sits with burning eyes and smiles through gritted teeth as the last of his 10,000 pesos is swept into his pocket.

Perhaps the pigeons are not bad players either, but simply not accustomed to John Huston's presence. "I feel like I had three or four Ping-Pong balls in my mouth at all times," was Jacqueline Bisset's summation of her terror at their meeting in mid-June in his house in Puerto Vallarta.

The thing that makes one so frightened is that one has such a great desire to please him," she says. "Years ago, when I was a very young actress, I was very wary of his awesome presence, which carried a lot of potential danger because he was supremely in control. Now I find his gentle, very touching. His face is magnificence. There is no rejection or resistance to experience written anywhere on it."

It was Malcolm Lowry who first tried to make a movie of "Under the Volcano." The three actors who will transfer Malcolm Lowry's torment to film are not at the poker game. Albert Finney is a bridge player. Anthony Andrews has flown back to London for a funeral. And perhaps Jacqueline Bisset sensed that there are poker games where women are not wanted.

It is the volcano that makes one so frightened that one has such a great desire to please him," she says. "Years ago, when I was a very young actress, I was very wary of his awesome presence, which carried a lot of potential danger because he was supremely in control. Now I find his gentle, very touching. His face is magnificence. There is no rejection or resistance to experience written anywhere on it."

It was Malcolm Lowry who first tried to make a movie of "Under the Volcano." According to Moritz Borman, one of the movie's three producers, "Lowry wrote a screenplay for Scott Fitzgerald's 'Tender is the Night' for MGM and hoped to write 'Under the Volcano' for the studio. They

talked a lot, but MGM never optioned the book. In 1962, the ac-



John Huston (left), with Albert Finney.

tor Zachary Scott did. He died and, in 1965, his widow sold the rights to the Hakim brothers.

They wanted Luis Buñuel to direct. He commissioned a screen play the Hakims didn't like so they fired Buñuel and hired Jules Dassin. Then Joseph Losey.

When their rights lapsed, the Hakims filed a lawsuit against the estate which the estate won in 1973. Then the rights were sold to Luis Barranco, who is out of the Latin American intellectual left.

The script he commissioned made the Consul a decadent representative of a decaying colonial empire. He commissioned one treatment from Gabriel García Márquez but he never made the movie.

Meanwhile, John Huston was being bombarded by scripts for "Under the Volcano," he says. When Borman's partner, Wieland Schubz-Kiel, called two years ago, Huston growled, "I've heard about this project 150 times. Why not?"

Schubz-Kiel, a young German intellectual who fell in love with Lowry's book at the age of 16, got the rights from the Lowry estate 18 months ago. However, because Malcolm Lowry's widow was under the conservatorship of her 84-year-old sister, final court approval did not come until last March. By that time, a third producer, Michael Fitzgerald, was aboard.

Fitzgerald raised the necessary \$3 million — \$1.5 million from the Mexican government and the rest because Universal Classics agreed to distribute "Under the Volcano" in the United States

and 20th Century-Fox to distribute the movie abroad.

Huston's car threads its way into the central square of Yantepetl. The square is lined with thousands of Mexicans gawking at the somber Day of the Dead created in the heat of August.

Guy Gallo stands on the sidelines. For five months he and Huston have taken a knife to his script, carving each draft ever leaner, struggling for an immediacy that won't rely on allusion.

Gallo says, "John's great talent is to get the best possible work he can from someone, using the precise necessary tactics. If it's encouragement, it's encouragement.

If it's dismissal, it's dismissal — to the limit the moment will bear.

It is a complicated walk Albert Finney must take down this decorated street, complicated by the fact that a stray dog must follow him. Huston has ordered his production manager to find a mongrel. The dog is frightened and pathetically thin, a bitch with swollen teats who must have given birth a few days before she was found by the side of the road.

Finney has been letting her sleep at the foot of his bed for the last three days, hand feeding her to win her loyalty.

Drenched in sweat, the man who wears the camera is afraid to say that the dog has moved out of the frame and he needs to do the scene for the 12th time. "Don't be afraid," Huston says — patient, resigned. "If we need to do it again, we'll do it again."

It is only the beginning — the first day. John Huston has gone through this before. He will, he is sure, go through it again — and again.

It was Malcolm Lowry who first tried to make a movie of "Under the Volcano." According to Moritz Borman, one of the movie's three producers, "Lowry wrote a screenplay for Scott Fitzgerald's 'Tender is the Night' for MGM and hoped to write 'Under the Volcano' for the studio. They

talked a lot, but MGM never optioned the book. In 1962, the ac-

tor Zachary Scott did. He died and, in 1965, his widow sold the rights to the Hakim brothers.

They wanted Luis Buñuel to direct. He commissioned a screen play the Hakims didn't like so they fired Buñuel and hired Jules Dassin. Then Joseph Losey.

When their rights lapsed, the Hakims filed a lawsuit against the estate which the estate won in 1973. Then the rights were sold to Luis Barranco, who is out of the Latin American intellectual left.

The script he commissioned made the Consul a decadent representative of a decaying colonial empire. He commissioned one treatment from Gabriel García Márquez but he never made the movie.

Meanwhile, John Huston was being bombarded by scripts for "Under the Volcano," he says. When Borman's partner, Wieland Schubz-Kiel, called two years ago, Huston growled, "I've heard about this project 150 times. Why not?"

Schubz-Kiel, a young German intellectual who fell in love with Lowry's book at the age of 16, got the rights from the Lowry estate 18 months ago. However, because Malcolm Lowry's widow was under the conservatorship of her 84-year-old sister, final court approval did not come until last March. By that time, a third producer, Michael Fitzgerald, was aboard.

Fitzgerald raised the necessary \$3 million — \$1.5 million from the Mexican government and the rest because Universal Classics agreed to distribute "Under the Volcano" in the United States

and 20th Century-Fox to distribute the movie abroad.

Huston's car threads its way into the central square of Yantepetl. The square is lined with thousands of Mexicans gawking at the somber Day of the Dead created in the heat of August.

Guy Gallo stands on the sidelines. For five months he and Huston have taken a knife to his script, carving each draft ever leaner, struggling for an immediacy that won't rely on allusion.

Gallo says, "John's great talent is to get the best possible work he can from someone, using the precise necessary tactics. If it's encouragement, it's encouragement.

If it's dismissal, it's dismissal — to the limit the moment will bear.

It is a complicated walk Albert

Finney must take down this decorated street, complicated by the fact that a stray dog must follow him. Huston has ordered his production manager to find a mongrel. The dog is frightened and pathetically thin, a bitch with swollen teats who must have given birth a few days before she was found by the side of the road.

Finney has been letting her sleep at the foot of his bed for the last three days, hand feeding her to win her loyalty.

Drenched in sweat, the man who wears the camera is afraid to say that the dog has moved out of the frame and he needs to do the scene for the 12th time. "Don't be afraid," Huston says — patient, resigned. "If we need to do it again, we'll do it again."

It is only the beginning — the first day. John Huston has gone through this before. He will, he is sure, go through it again — and again.

It was Malcolm Lowry who first tried to make a movie of "Under the Volcano." According to Moritz Borman, one of the movie's three producers, "Lowry wrote a screenplay for Scott Fitzgerald's 'Tender is the Night' for MGM and hoped to write 'Under the Volcano' for the studio. They

talked a lot, but MGM never optioned the book. In 1962, the ac-

tor Zachary Scott did. He died and, in 1965, his widow sold the rights to the Hakim brothers.

They wanted Luis Buñuel to direct. He commissioned a screen play the Hakims didn't like so they fired Buñuel and hired Jules Dassin. Then Joseph Losey.

When their rights lapsed, the Hakims filed a lawsuit against the estate which the estate won in 1973. Then the rights were sold to Luis Barranco, who is out of the Latin American intellectual left.

The script he commissioned made the Consul a decadent representative of a decaying colonial empire. He commissioned one treatment from Gabriel García Márquez but he never made the movie.

Meanwhile, John Huston was being bombarded by scripts for "Under the Volcano," he says. When Borman's partner, Wieland Schubz-Kiel, called two years ago, Huston growled, "I've heard about this project 150 times. Why not?"

Schubz-Kiel, a young German intellectual who fell in love with Lowry's book at the age of 16, got the rights from the Lowry estate 18 months ago. However, because Malcolm Lowry's widow was under the conservatorship of her 84-year-old sister, final court approval did not come until last March. By that time, a third producer, Michael Fitzgerald, was aboard.